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East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 1990



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HUNGARIAN-USSR VEHICLE AGREEMENT SIGNED

Budapest MAGYAR NEMZET in Hungarian 9 Feb 80 p 3

[Article by TPL: "Six-thousand Ikaruses -- Forty-thousand Ladas"]

[Text] Yesterday, in the presence of representatives from various Hungarian industrial and trade concerns, the AUTOEXPORT All-Union Company and the MOGURT Motor Vehicle Trading Company have signed a four-hundred million ruble contract. The agreement for the year 1980 projects a slightly higher value of exchange than those of the previous years. (By the way, the total value of the bilateral exports amount to around 550 million rubles, which constitutes over ten percent of the Soviet-Hungarian economic exchange for 1980.)

The largest part of the Hungarian export is made up of 6030 Ikarus buses in the value of 226 million rubles. To this amount must be added nearly one hundred million rubles' worth of parts. In return, the AUTOEXPORT delivers 48,500 automobiles this year to Hungary. The latter are mostly Lada cars-- 45,000 of them -- all made in the Volga Automobile Factory. (In accordance with consumer demands, more small-capacity 1200 cc cars are being delivered than last year.)

For years now, cooperative ventures have been given an increasing role in automobile agreements. This trend is also reflected in the current contract. The Soviet factories are supplying 15,000 front axles for Ikarus buses. As a result of the cooperation between the Csepel Automobile Factory and the Automobile Factory of Lvov, the joint manufacturing of up-to-date hydro-mechanical gear-shifts were also undertaken.

The recently signed contract means that during the current five-year plan, Hungary will deliver a total of 38,500 buses to the Soviet Union. In return the AUTOEXPORT will contribute 256,000 cars and 43,000 work vehicles to the development of our vehicle traffic.

Following the signing of the contract, we had a discussion with N.M. Dimitriev, President of the AUTOEXPORT, and with Pal Laszlo Toth, the executive director of Mogurt. We chatted about the significance and the future of this cooperative venture.

In spite of the fact that the Soviet Union has its own significant bus manufacturing industry--which entails ten factories with an annual capacity of 70,000 vehicles--it still needs Ikarus buses, and will do so both in the near and in the more remote future. These buses have an important role in

the city, as well as in inter-city traffic. Because of their high technological performance, and because of the reliability of parts supplies and services, they create very few problems for the bus companies. This year we are placing even more emphasis on Hungarian-made vehicles, because of the Olympics. We will receive 4,000 of them before the start of the games. In the future, this cooperation may also extend to new areas. As an example, in response to a request by the Ministry of Oil Industry, we have also begun negotiations for the installations of Hungarian-made service stations. According to our plans, our Hungarian partners will deliver four or five of these stations annually, in turnkey condition.

The advantages of these large Soviet orders for the Hungarian automobile industry are self-evident. They make it possible for our industry to evolve continually, to develop ever new models, and to produce these models economically and in profitable numbers. But what is equally important, these orders also form the basis of an ever-broadening cooperative manufacturing activity. One of the results of this cooperation is the already mentioned hydro-mechanical gear-shift. But it also resulted in the introduction of some significant technological innovations in the Csepel Automobile Factory, including electrical welding. Soviet and Hungarian experts agree that this cooperation in the automobile industry will continue to grow during the period of the next [5-year] Plan; and will do so both in terms of the delivered number of vehicles, as well as in increased cooperative manufacturing. The conditions are there. That we can utilize these conditions to our advantage even more, has been demonstrated by the fact that up to now we were able to sell more than the number of specified in the contracts almost every year. We did this through "unexpected" agreements and contracts.

9271

CSO: 2500

EFFORTS, INITIATIVES TO SAVE ENERGY ENCOURAGED

Sofia TEKHNICHESKO DELO in Bulgarian 19 Jan 80 p 4

[Article by Prof Mikhail Gerasimov, PhD, Hero of Socialist Labor and Honored Scientist: "Fuel and Energy Conservation"]

[Text] In the past few years, the question of most efficient and rational use of liquid fuel and energy in our country has become extremely important. The reason is clear, our country does not produce a sufficient quantity of oil. As concerns coal, we have low-quality lignite that creates great difficulties in power production and domestic use as well. Under the circumstances, there is nothing else to do but use less liquid and solid fuel as well as electric power generated by them, regardless of the fact that we also have an atomic energy plant. This is a national duty and everybody should contribute to its fulfillment, starting with the housewife and ending with the train engineer.

Our inventors and innovators have at present a very responsible task in the drive for fuel and energy conservation. They have to follow the example of the GDR, where in 1978 alone, 13,950 innovations and inventions were introduced, enabling the GDR to save 8.5 million tons of excellent-quality brown coal. How did they do it? All workers, inventors, the innovators were given a specific task: "to obtain the greatest possible effect from each ton of liquid fuel, from each cubic meter of gas and from each kw/h of electric power." The trade union committees in the enterprises and combines, jointly with the firms of the GDR Chamber of Technology had worked out topical outlines with the purpose of focusing the creative and inventive thought of the inventors and innovators on elaborations leading to compulsory conservation of liquid fuel and energy.

Using the GDR experience, we are developing extensive organizational work in this direction. The first results are already at hand. Thus, for example, Engineer Emanuil Tsonkov and Architect Aleksandur Semov of the K. Stoev plant in Gabrovo have introduced an innovation for automatic control of the temperature in glass tub furnaces. This automation guarantees not only constant technological conditions in the furnaces but also annual fuel conservation of 15,000 leva.

The experts of the Sofia V.I. Lenin Higher Institute of Electrical and Mechanical Engineering, Candidate of Technical Sciences Geno Genov, and Engineers Konstantin Vulchev and Ventsislav Yurokov, have prepared an original construction plan for measuring fuel consumption during road and polygon tests of transport vehicles. This invention, No 37060, distinguishes itself by many constructional and operational advantages--it has highly precise measuring equipment, does not require the transport vehicle to be at one and the same place, nor does the engine have to be stopped during the calculating period. The testing period is shorter.

The rationalization work in the Balkanbas [Central Balkan Basin] economic mining-power combine has also been remarkable. Among the most notable innovations in this combine is the initiative of Slav Kaludov, Lalyo Karagenev and others, to substitute brown coal fines for the expensive coal concentrate in the drying and boiler departments of the Central Ore Dressing Factory (TsOF) in Tvurditsa of Sliven Okrug. This will result in an economic effect of 200,000 leva annually, since each ton of fines costs 24 leva less than the concentrate.

In the Pavlikeni plant for construction technology, the old burners have been replaced by new, standard ones, produced in the Burgas Spartak plant. With the old burners the thermal furnaces used 5 tons of liquid fuel for an average of 20 tons of sheet castings. Now, with the help of the new burners, only 2.8 tons are consumed for the same volume of production. Furthermore, one can also better keep up with the thermal average norms by reducing the fumes polluting the environment.

The transportation branch is doing a successful job in fuel conservation as well. For example, in the administration of Stroitelna Mekhanizatsiya [Construction Mechanization] in Dimitrovgrad, the builders and technicians alone have saved 36 tons of diesel fuel and 16 tons of gasoline in the first half of 1979. Following their initiative, all vehicles and construction machines that work far away receive fuel on the spot. Similar initiatives have been adopted in Pazardzhik, Lovech, Burgas, Ruse and other okrugs of the country. In Pazardzhik's M. Shatarov battery plant alone 3,590 tons of coal and 85 tons of mazut have been saved by efficiency innovations.

Audits show, however, that fuel conservation measures have not been successful everywhere. The measures taken up to the present are not satisfactory. The councils engaged in organizing technical creativity in the enterprises and plants must do all possible so that each rational initiative for fuel and energy conservation be put to use. In which direction should our efforts be aimed? First of all we should utilize the heat wasted in the technological processes. Initiatives and topical outlines must consider the greatest possible regeneration of heat. Most valuable will be conservation initiatives which raise the level of the technical utilization of all types of steam installations.

It is no secret that much heat and energy are wasted in many of our enterprises and in much greater percentage than warranted. In such instances, each initiative by workers and rationalization experts will be helpful. This refers primarily to smaller industrial and cultural enterprises and combines.

So that the rationalization experts in production could offer new suggestions, they must receive specific engineering-technical assistance by the experts of the enterprises, and the leadership above them should be in the hands of specialists of the scientific institutes and higher educational institutions. Following the steps of the German comrades, and using their experience, we could expand the topical outlines so that the rationalization experts be encouraged to introduce new suggestions regarding fuel and energy conservation.

The Institute for Inventions and Innovations has also joined in this urgent work. At present, all inventions concerning fuel and energy are tested, including previously rejected ones. They will be cataloged and sent to the interested economic organizations and enterprises.

The okrug councils engaged in organizing technological creativity will render their assistance in adopting some of the new preparations. There is no doubt that the managements of the NTD [Scientific and Technical Society] will take the lead in the rationalization drive with its most important goal--fuel and energy conservation. In this manner we will create conditions for our socialist economy to reach an even higher level of development.

1010

CSO: 2200

BULGARIA

STORY SUGGESTS CONVERSION TO SOLID FUEL FOR HEATING

Sofia TRUD in Bulgarian 2 Feb 80 p 2

[Feature Article by Syuleyman Gavazov: "Prognosticating"]

[Text] "Does the comforter warm the body or does the body warm the comforter?" asked somebody in my sleep. "The comforter warms the body, of course," was my affirmative answer. "Otherwise, why should we cover ourselves?" "Wrong," laughed whoever it was, "at first the body warms the comforter but later on the comforter takes over."

This new discovery wakes me up only to assure me that during the night neither did I warm the comforter nor did the comforter warm me. The windows glitter with frosted flowers and wonderful figures of castles. It must be bitterly cold out. And think that before the New Year the weather forecasters promised us a mild January with temperatures above normal. They must have been kidding!

It is said that heat softens the brain, makes it sluggish, and cold, just the opposite. However, although my head has been practically frozen in the last few days. I have not been able to think of anything worthwhile against the cold. Yesterday I participated again in a fist fight in front of the stove shop next to the Lions Bridge [a bridge in Sofia with two statues of lions]. The result was a few lost buttons and crushed shoes. I get up, move my shoulders and at that moment a life-saving thought pierces the frozen neurons of my brains. That's it: Yana railroad station, a truck with Pleven license plate, 5 tons of sheet iron, Hassan from Isperikh....

It happened last year on a hot July day. I was in an ironware storage house in the village cooperative of Yana railroad station. Three olive-skinned, stocky men were loading a big truck, one of those for international transport, with Kremikovtsi iron sheets, depreciated and of nonstandard quality, exactly what I was looking for. The work was in full swing and it was obvious that the truck driver was planning a black market sale for private purposes.

It started to rain suddenly, big, warm, pleasant drops, and we all took refuge under the overhang. I asked the olive-skinned, husky men why they needed so many iron sheets. One of them, a more talkative type winked:

"For heating stoves, man, don't you see the oil crisis which is already on the horizon. And people have discarded the old stoves and replaced them with oil stoves...And all will rush to buy stoves again and will come to me. Hassan makes stoves, believe me, first quality. Small ones, simple, but when the winter wind starts blowing, you come and see how my stoves sing and heat. My customers call them 'Gypsy's Love' brand. The name is correct, they heat like...."

"You better watch it, the state competition might make you lose your shirt." I parried his words. "The MVTU [Ministry of Internal Trade and Public Services] and the Ministry of Machine Building by now must have a conception how to deal with this issue, must have prognosticated how many stoves for solid fuel are needed, and must have prepared a scientifically based schedule, a plan, and the work has been coordinated as well. They have experts working for them, smart, who take all possibilities into consideration."

"Oh man, your words are so sweet," smiled Hassan, "so high type, I hear them all the time but cannot remember them. Would you repeat them, please!"

"Conception, prognosis, scientific preparations," started I hesitantly, feeling the sarcastic attitude of my interlocutor. "And, don't forget that our country has developed a strong industry and if they take a decision, one plant alone could flood the market in a few months...."

"As to industry, you are right," said Hassan, "if they decided to do it, it is true that I might lose my shirt. But as to your smart and foresighted experts of the ministries, I am not worried. Right now they are basking in the sun at the Black Sea shore, trying to get a good tan, a tan that my mother has given me by birth. The rest are dozing off in this heat waiting for their turn at the seashore. And by the time they all take their turn, holiday will come, and after that they will be busy with pickling and brigades. And then the wine will have to be tapped. And suddenly fall will come and then winter. And, before they coordinate their work, decide what to do and start eventual production, winter will roll away. Hassan by then will have sold a thousand stoves. And you, man, if you happen to come our way, come and visit Hassan, I will stash away a stove for you...."

I did not pay any attention to his invitation at that time; who ever thinks of stoves in the middle of July's heat, who could ever have thought that a semi-illiterate private worker could predict the situation so accurately 6 months in advance and plan to produce what at this very moment is most needed. And what happened with the entire staff of prognosticating, planning, coordinating and other smart experts of two respectable ministries?

Tomorrow I am leaving for Isperikh with the hope that Hassan had laid away "Gypsy Love" brand stove for me.

1010

CSO: 2200

MAJOR INDUSTRIAL PROJECTS UNDER CONSTRUCTION SURVEYED

Sofia POLITICHESKA AGITATSIYA in Bulgarian No 1, 1980 pp 10-17

[Article by Marin Marinov: "Map of the Homeland: Construction Panorama"]

[Text] Each five-year plan has left a vivid mark in the development of the economic power of our socialist homeland. The Seventh Five-Year Plan has been unequalled in terms of the volume of productive capital commissioned and construction work carried out. In 1980, the last year of the five-year plan, the volume of capital investments will total 7 billion leva; capital investments will total 7,480,000 leva in 1981.

In the last year of the Seventh Five-Year Plan particular attention is being paid to the further rapid development of the power industry in order to reach and surpass by the end of 1980 the production of electric power stipulated by the 11th party congress. At the very beginning of the new construction year the sixth turbine of the expansion of the Varna TETs will be made operational with a generating power of 210 megawatts. Thus, helped by Soviet engineers and specialists in installing the equipment supplied by the Soviet machine plants, the construction workers will complete the most powerful thermoelectric power plant in our country.

In order to insure the further accelerated construction of the Maritsa-Iztok III TETs, in 1980 and 1981 40 million leva will be invested in construction and installation projects alone. Currently construction and assembly workers are focusing their efforts on subprojects related to the completion of the third turbo-group in the first quarter of 1980. It will generate 210 megawatts. The final facilities will be commissioned in 1981, when the power plant will reach full capacity and supply the national economy annually with over 4.5 billion kilowatt hours of electric power.

Large quantities of materials and manpower resources are focused on the building of the first nuclear power plant near Kozloduy. Currently construction and installation workers are tirelessly working on the subprojects of the third nuclear reactor, whose 440 megawatt capacity will become operational in 1980. In the first year of the Eighth Five-Year Plan the fourth reactor, generating the same amount of power, will be completed

and commissioned. During that period the necessary preparations will be made for the accelerated building of the third stage of the nuclear electric power plant--the fifth and sixth reactors.

Bulgaria is the first country in the Balkans, and one of the few countries in the world to convert to the large-scale utilization of nuclear energy for the national economy. These successes as well are the result of the inviolable Bulgarian-Soviet friendship and mutual aid. So far our construction workers have been benefiting in their daily work from the help of over 100 Soviet specialists.

A number of capital investments have been planned for 1980 and 1981 involving the new expansion of the Ruse, Traycho Kostov, Sofia, Edinstvo thermoelectric power plants, the last of them located in Yambol, and the power plant at the sugar refinery in Dolna Mitropoliya, Pleven Okrug. The personnel of the Khidrostroy OSD [State Economic Trust] will be working at the Spanchevtsi VETs, which will develop a production capacity of 27 megawatts, the Sestrimo power cascade, the Pirin VETs, the Chaira Pumping-Storage Hydroelectric Power Plant, and the Devin Hydraulic Power Center. Tens of substations, long-range transmission lines, and power substations will be built.

The construction of the Troyanovo 2 and Troyanovo 3 strip coal mines at the Maritsa-Iztok Power Complex, the Bobov Dol, Merichleri 3 and G. Dimitrov mines, and others is continuing.

The planned increase in the output of the chemical industry by about 13% in 1980, and by about 10% in 1981, will require the faster completion of the new production capacities and the reconstruction and expansion of existing ones. That is why the bulk of the capital investments in the sector have been focused on the 1980 and 1981 target projects.

The Petrochemical Combine near Burgas remains the most important center for new construction for both years. Over 60 million leva will be spent in construction and installation projects in 1980 and 1981 for the construction of new chemical production facilities. The new production facilities of the greatest importance to the national economy will be facilities for vacuum distillation with heat cracking, the production of benzene, ethylene oxide and ethylene glycols, the production of pyralene and benzene, the production of polypropylene, the expansion of the plant's power plant, and others.

Twenty years have passed since the first 12 construction workers arrived at the huge building site near the Kameno Railroad Station in Burgas Okrug, eventually increasing to 7,000 during the most intensive period. The over 35 basic plants and installations of the petroleum refining industry built so far have been the work of our construction workers and of over 600 Soviet specialists. They will continue to help our construction workers in commissioning the target projects ahead of schedule in the future as well.

New capacities will be commissioned in the Devnya Valley for the production of fuming sulfuric acid. The new plant for producing chlorine, vinyl chloride and polyvinyl chloride, and the Padina Sludge Dump will be completed.

The veteran of the Bulgarian chemical industry--the Economic Chemical Combine in Dimitrograd--will have its facilities for the production of sulfuric acid expanded and reconstructed: starting with the Eighth Five-Year Plan its facilities for the production of chemical fertilizers will be expanded as well. Capacities for the production of methyl methacrylate and concentrated sulfuric acid will be completed at the Economic Chemical Combine near Stara Zagora. The completion of capacities for the regeneration of tires and conveyor belts will be completed at the K. Rusinov Rubber Plant in Pazardzhik.

The construction and installation combine in Vratsa is expanding and reconstructing the ammonia and carbamide production facilities of the Chemical Combine in Vratsa. Work is being done to insure the further development of the chemical industry at the D. Dimov Economic Chemical Combine in Yambol, for the production of polyester fabrics and polypropylene fibers, at the Kapitan Dyado Nikola Plant in Gabrovo, the Pharmaceutical Plant in Stanke Dimitrov, the Latex Plant in Byala, the Lakprom Plant in Svetovrachene, the Verila Chemical Combine near Sofia, the expansion of the Agriya Plant in Plovdiv, and many others.

The last branches and installations of the USSR-Bulgarian People's Republic Main Gas Pipeline, Southern Branch, will be built in 1980 and 1981.

A great deal of material and manpower resources will be focused in 1980 on machine-building and metallurgical projects where heavy-investment machine-building output will be developed at a fast pace.

The Pernik Industrial Complex will be the biggest construction project in our country in 1980. The Struma Machine Building Plant near Pernik is being reconstructed with a view to channeling its output to meet the requirements of the construction project number one: the Plant for Heavy Machine Building in Chervena Mogila, near Radomir. The scale of this construction may be judged by the fact alone that in the next two years over 120 million leva will be invested in construction and installation projects alone. The first stage in the plant's construction project must be commissioned at the beginning of the Eighth Five-Year Plan with a production capacity for 65,000 tons of non-standard equipment. The new plant near Radomir will supply our economy with export technological systems for the metallurgy, mining concentration, cement and power engineering industries. It will produce heavy steel castings and ingots for many of our machine building plants.

Along with the building of the plants, a number of housing, consumer and other premises will be built for the construction and operational workers.

Substantial capital investments have been appropriated for the building of the main and secondary roads in and around the major construction project, intraplant and outside railroad tracks, water and sewer mains, warehousing facilities, and other auxiliary installations.

Most of the work on the draft estimates and operational blueprints for the plant near Radomir is being done by the Mashproekt Institute for Comprehensive Studies and Design in Plovdiv. The Institute's collective is combining its efforts with those of several design organizations in the Soviet Union, Czechoslovakia and Romania.

The expansion, reconstruction and modernization of the Lenin Metallurgical Combine is the second major construction project of the Pernik Industrial Complex. In 1980 and 1981 alone construction and installation operations worth over 100 million leva will be channeled into it. As early as 1980 an electric steel production facility with an annual capacity for 250,000 tons of steel will be made operational.

The building of the Plant for Heavy Machine Building near Radomir, coordinated in time with the expansion and reconstruction of the Lenin Metallurgical Combine, the Struma Machine Building Plant, and the V. Kolarov Cement Plant in Temelkovo Village, is being carried out by a single production-technical base for all construction and installation organizations. The parameters of the main structural elements have been standardized (beams, columns, roofing structures) for all subprojects of the single construction site. The level of technical progress reached in this construction is exceptionally high. On an experimental basis, the management and operation of the single construction-installation base are provided by the same management.

In both 1980 and 1981 the construction rhythm in the sites of the Kremikovtsi Metallurgical Combine will be maintained. Nearly 70 million leva will be invested in construction and installation work on over 28 basic projects of the combine's expansion and reconstruction. Capital assets worth over 130 million leva will be commissioned.

The Elatsite Mining Concentration Combine will be one of the biggest projects of our ore-mining industry in 1980. The cost-estimate documents for the construction projects are being developed by the Niproruda Institute in Sofia with the help of the following Soviet institutes: Giprotsvetm in Moscow and Mekhanobr' in Leningrad. The following are taking part in the construction of the project: the Main Administration of Construction Troops, the Khidrostroy, Road Building, and Ministroy state economic trusts, and other construction and installation organizations. The open pit mine is one the most important subprojects of the combine. Modern equipment procured from the Soviet Union will be used in stripping the ore. In 1980 and 1981 alone over 50 million leva will be spent in construction and installation work. In the new construction year capacities for the extraction of five million tons of ore will be completed.

Following the commissioning of the Elatsite Mining Concentration Combine, the production of electrolytic copper in our country will be increased by a 1.5 factor. That is why the expansion and modernization of the G. Domyanov Metallurgical Combine near Srednogorie are being carried out at a faster pace.

The Heavy Machine Building Plant near Ruse has been one of the most important projects of the machine building industry in the Seventh Five-Year Plan. Its construction is a manifestation of Bulgarian-Romanian friendship. Its output will be cooperated with that of a plant built in Romania on the bank of the Danube River. Construction was begun on 10 December 1976, when Comrades Todor Zhivkov and Nicolae Ceausescu laid the cornerstone of this modern heavy-machine-building enterprise. In 1979 the construction workers completed the first major subproject--a repair-instruments shop with a warehouse for machines and equipment. In 1980 and 1981, when about 50 million will be invested in construction and installation projects, the greatest efforts will be focused on the three basic subprojects: the hammer-press building, the machine assembly shop and the steel casting shop, as well as the shop for rough machining, the compressor station, and others. Modern industrial construction methods are being applied, thus reducing construction time by as much as 40%. The first production capacities of the plant near Ruse will become operational in 1981.

In the last year of the Seventh Five-Year Plan extensive work will be done on the new Rakovski Steel Casting Plant in Shishmantsi Village, Plovdiv Okrug. This will be an important base for the further rapid development of machine building. Work will be done at many other machine building plants as well, such as the Chemical Machine Building Plant in Khaskovo and a 4,000-ton press, the Rekord Plant in Plovdiv, the Robotics Scientific-Production Complex in Stara Zagora, the Fitting Plant and the Pretsiz Plant in Mikhaylovgrad, the plant for steel cables and goods near Roman, the expansion of the G. Kirkov and G. Kostov plants in Sofia, and the Cherveno Zname Plant in Gara Debeleets, the expansion of the G. Dimitrov Ship Building Plant in Ruse and Iliya Boyadzhiev Ship Building Plant in Burgas, the Khidravlika Plant in Kazanluk, and others.

The 1980 plan for the socioeconomic development of the country calls for the further increase of the light industry's output. The expansion of existing plants and factories and new construction projects will be continued, such as the Slavyanka Factory in Tutrakan, the V. Piskova Plant in Ruse, the Worsted Spinning Plant in Ivaylovgrad, the Shop for Crystal Glass of the V. Kolarov Plant in Sliven, the expansion of the Iv. Vinarov Glass Containers Plant near Pleven, the Porcelain Tiles Plant in Ispirikh, and the G. Delchev Textile Combine in Blagoevgrad. New capacities will be added to the veteran of our porcelain industry--the Izida Plant in Elin Pelin. A new weaving shop is nearing completion at the Ya. Luskova Factory in Burgas and the expansion has been undertaken of the St. Peev Glassware Plant in Beloslav in Varna Okrug, the S. Dimitrov Plant in Sliven, etc.

New production capacities are being built to meet the requirements of the cellulose-paper industry. In 1980 the construction workers at the V. Kolarov Paper Mill in Kostenits will commission the first machine for the production of 12,500 tons of fine wrapping paper; the second machine will be commissioned in 1981. In 1980 and 1981 new capacities will be commissioned at the Trakiya Cardboard, Corrugated Cardboard and Packaging Materials Combine in Pazardzhik, the Ticha Plant in G. Traykovo in Varna Okrug, and the St. Dechev Plant in Turgovishte. New capacities will be added to the Forestry Engineering Combine near Silistra, which will become the biggest center for the cellulose-paper industry in the Eighth Five-Year Plan, processing timber procured from the Soviet Union.

The development of the cement industry will be manifested in increasing the amount of cement output and in quality improvements. In our country cement is produced in six plants. The trend will be continued toward the reconstruction, modernization and expansion of cement plants within the framework of the existing facilities. In 1980 new production capacities will be added to the V. Kolarov Cement Plant totaling an output of 560,000 tons.

Prestressed, reinforced concrete triggered a revolution in construction. Its use radically changed the organization of construction output. The trend here is to use high grades of fast-setting concrete and high-stress steels, thus enabling the manufacturing of large series of duplicated elements and to increase the percentage of prestressed lighter-weight structures, which by 1980 should account for 28% of the prefabricated reinforced steel elements for industrial construction. The construction will be completed of one of the biggest Bulgarian house building combines in Stara Zagora with a capacity for 3,000 apartment units, and in Tolbukhin with a 2,000 apartment-unit capacity, and of other combines in Yambol, Smolyan, Shumen, and elsewhere.

Substantial material and manpower resources have been appropriated for the building of new schools, kindergartens, student hostels, hospitals, rest homes, other communal-public services buildings, water mains and sewer systems.

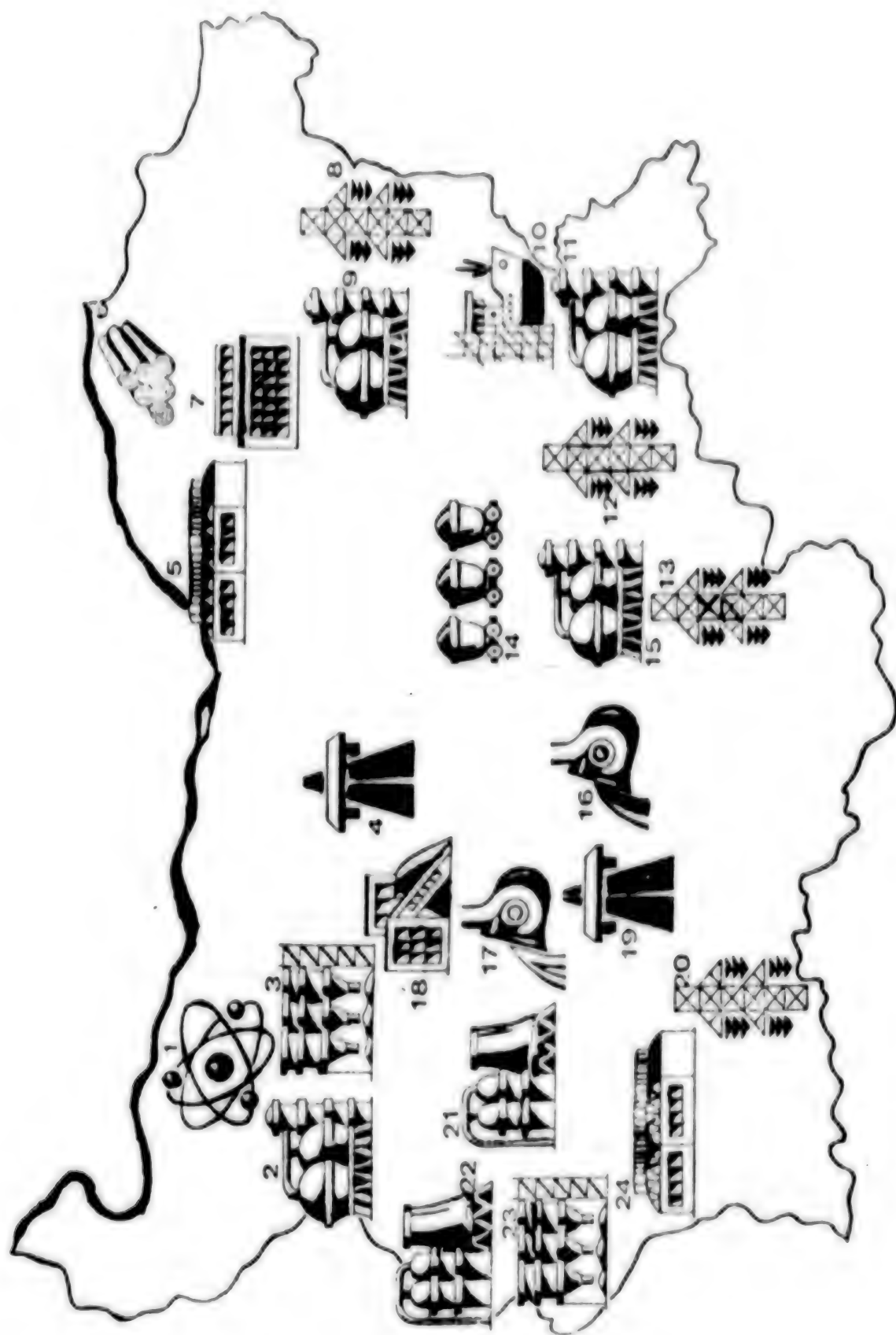
Particular attention is being paid the further development of the material and technical base of the agro-industrial complexes and the food industry.

Along with the expansion of the road network throughout the country, considerable capital investments have been assigned for the building of new sections of the Trakiya and Khemus highways. The construction of the first operational section of the Sofia Subway will be undertaken, from the Lyulin residential district to Lenin Square. This will be part of the radius of the first west-east diameter. According to the plan, seven subway stations will be located along the 7.7 km-long track. Electric trains will be able to carry 50,000 passengers in one direction per hour.

In the new construction year important tasks face the collective of the Transstroy DSO on the further development of railroad transportation, and doubling the tracks and electrifying main railroad lines.

[Key to map]

1. Nuclear electric power plant near Kozloduy--expansion
2. V. Ptk State Cement Plant in Bell Izvor Village, Vratsa Okrug--expansion
3. Chemical Combine in Vratsa--expansion of ammonia and Carbamide production facilities
4. Khemus Highway
5. Heavy Machine Building Plant near Ruse
6. Forestry Engineering Combine near Silistra
7. Porcelain Tiles Plant in Isperikh
8. Varna TETs--expansion
9. Devnya Industrial Complex
10. Iliya Boyadzhiv Ship Building Plant in Burgas--expansion
11. Petrochemical Combine near Burgas--expansion
12. Maritsa-Iztok 2 TETs--expansion and reconstruction
13. Maritsa-Iztok 3 TETs
14. Troyanovo-Yug Mine
15. Economic Chemical Combine in Dimitrovgrad--expansion and reconstruction of the sulfuric acid production facility
16. Steel Casting Plant in Rakovski, Plovdiv Okrug
17. G. Damyanov Copper Extraction Combine in Srednogorie--expansion
18. Elatsite Mining Concentration Combine in Etropole
19. Trakiya Highway
20. Chaira PAVETs [Pumping-Storage Hydroelectric Plant]
21. Metallurgical Combine in Kremikovtsi--expansion and reconstruction
22. Lenin Metallurgical Combine--expansion and reconstruction
23. V. Kolarov State Cement Plant, Pernik Okrug--expansion
24. Heavy Machine Building Plant in Radomir, Pernik Okrug



The 1980 Capital Investments Plan creates the necessary conditions for the further development of the communal economy through the resolution of a number of problems of water supplies, sewers, electrification, urbanization of settlements, and others. The number of hospital beds will rise to 91.4 per 10,000 population. About 800 new classrooms will be built. In the area of housing construction 79,500 housing units will be delivered to our working people in 1980 and 80,400 in 1981.

The construction workers will have to accelerate their pace with the very first days of the new construction year in order to implement the major 1980 construction program.

U.S.S.R.

ERADICATION OF ECONOMIC CRIMES DUTY OF ALL

Sofia RABOTNICHESKO DELO in Bulgarian 31 Jan 80 p 2

[Article by Col Anastas Trendafilov, deputy chief of Central Inquiry Administration of the Ministry of Internal Affairs: "Reincarnation of Deceit"]

[Text] As early as 1918, V.I. Lenin pointed out that the most stringent and nationwide accountability and control of production and distribution of goods play a decisive role in the building of the new Soviet state. This Leninist requirement has an even greater validity in the time of the wide socialist development when operative and long-term planning require accurate accountability of achievements already accomplished and of future possibilities. Thus, documents are of great importance as they are the tools for organizing accountability and control. The complexities of public life and the diversity of relationships have brought about the need for many documents: official, personal, originals, copies, etc. It is imperative that the documents be authentic and truthful.

The July and May plenums of the Central Committee of the BCP [Bulgarian Communist Party] and the BCP National Party Conference set with great acuteness the task to organize well the struggle against fraudulent documentation and thus, protect the national economy from criminal violations. The concern is real, particularly regarding fraudulent documentation that leads to direct harm to the national wealth. A considerable share of the work of the investigative organs consists of investigating crimes connected with the use of fraudulent, untrue, and forged documents which have the sole purpose of obtaining illegally some state, cooperative or other public property.

The public danger caused by using fraudulent documentation consists in that in most cases the violators are state employees who know the exact procedures for filling and using documents. These employees have a civic as well as official duty to protect socialist property.

The most frequent cases of fraudulent documentation involve project preparations, overpaying for various construction and installation tasks, padding trucking expenses, presenting documents for nonexistent business trips, fraudulent accounting in production with the purpose of obtaining premiums and other prizes, and fictitious agreements in construction as well as in draft and design assignments.

last year the former Ministry of Agriculture and Food Industry made an agreement with a construction brigade for preparation of needed project documentation for construction of silos as well as for further silo technical-experimental purposes. The allocation for the purpose was 15,000 leva. The two "entrepreneurs," Engineer Kalcho Naydenov and Engineer Emil Shivachev, leaders of a "youth brigade" and working for themselves, used old documents of 1975 for a similar project preparation. Their only work consisted of copying the old documents for which they spent 800 leva. Numerous documents were presented, of course, all fraudulent: assignment sheets, allocation protocol, payroll statements, etc. The payroll included names of workers who had nothing to do with the preparation work. And all this was done in order to get hold of the 15,000 leva.

Defendant Aleksandur Khristov, in the capacity of construction technician at the Mezdra APK [Agroindustrial Complex], had repeatedly drawn up numerous delivery sheets, certifying fraudulent worktime and work done by the construction workers. His purpose had been to have the workers get more money and stay on the job. It was established that 27,425 leva were obtained by those fraudulent delivery sheets. On the basis of obvious proof, Aleksandur Khristov was convicted for fraudulent documentation.

The fight against crime of this kind requires not only fast, operative and energetic uncovering of the law violations and punishing the guilty but also establishing and eliminating first of all the reasons and conditions that contribute to the crimes.

The political, economic, educational and all other measures that the party takes for eliminating the social conditions for such crimes are manysided. These measures are put through by specialized, professional and public organs. The fact that such serious crimes as fraudulent documentation have not been eradicated and sometimes tend even to rise, shows that not all results of the penal policy and preventive work in our society and country have been effective. The task to fully eradicate the reasons for these crimes is the duty of every communist, social organization and citizen.

1010

CSO: 2200

REASONS FOR COAL MINING SHORTFALL GIVEN

Usti nad Labem PRUBOJ in Czech 4 Feb 80 p 1

[Unsigned article: "Why Is the Plan of Lignite Mining Not Fulfilled?"]

[Text] The total output of brown coal in the surface and underground mines of SHR [North Bohemian Brown Coal Basin] Most amounted to 5,352,482 tons and in underground mines alone to 544,823 tons during the first month of 1980. The January plan was fulfilled 90.3 percent. What is the reason for such a poor performance?

One of the underlying factors were the smaller needs and demand for coal particularly by the thermal power plants. It must be emphasized that this situation was brought about by early and proper preparation of mining operation for winter and the resulting bigger coal reserves on the part of most customers and particularly power plants. Although the output temporarily declined, the national economy was adequately supplied with brown coal. This was due also to the economy measures which had been recently implemented in the area of energy savings. Some customers of SHR in fact demanded that coal previously ordered not be shipped to them. The majority of power plants had limited possibilities of unloading the railroad cars, unloaded coal froze in the cars and some railroad lines were blocked by coal trains.

A similar situation developed also in the Chvaletice power plant.

This customer depends on the so-called "Labe route" for its coal supply. That this power plant had enough coal on hand is clear from the fact that it did not have to reduce power supply to its customers, although the Labe had not been navigable for several days.

The problems, of course, did not arise only in regard to the coal shipments to the final consumers. The very unfavorable weather conditions in the surface mines in the form of bitter frosts, snowing, fog, and sleet and thaw toward the end of the month were reflected both in the coal output and removal of overburden. The situation in the removal of overburden was, of course, similar to that in the coal output. The removal of overlying earth layers was fulfilled by the coal plant only 91.6 percent in January 1980.

Only 11,074,722 cubic meters of overburden were excavated and put on the pile. This shortfall was primarily caused by concern enterprise DVIL Komorany. Only 3,433,476 cubic meters of overburden instead of the planned 4,510,000 cubic meters were removed. A similar situation exist in concern enterprise Doly lezaky were only 90 percent of the planned amount of overburden were removed. Likewise, concern enterprises PKAZ [expansion unknown] and Nastup Mines Tusimice failed to meet the target set for the removal of overburden. Most of the plant workers manifested high work initiative and self-sacrificing work. Despite the holiday, the workers in all plant enterprises started to work already on 1 January 1980.

Even the outstanding results achieved by some collectives such as Milan Novak collective operating a technological unit with KU 800/65 excavator from plant enterprise Julius Fucik Mines at Bilina and others were not able to reduce the shortfall. There were frequent breakdowns particularly in coal transportation from the mining sites.

A somewhat different was the situation in sorting of coal for the population and industry. Within the SHD concern, the sorting of coal including coal savings is carried out by concern enterprise DVUZ. Here also the miners showed great self-sacrifice and initiative in working emergency shifts. As a result, the plan of this plant enterprise was fulfilled 104.4 percent and the national economy was supplied with brown coal of the highest quality without interruption.

10501

CSO: 2400

POOR AGRICULTURAL ECONOMICS CITED

Bratislava ROLNICKE NOVINY in Slovak 16 Feb 80 p 4

[Article by Engr Pavel Buchta: 'The Way to Efficient Production: Economic Instruments Solve Enterprise Revenue Situation']

[Text] In the report of the 13th session of the CPCZ Central Committee on the subject of economic instruments in systematic management of agriculture it was stated: "It is important to adjust them in such a way that they will not only influence the development of revenues more effectively than heretofore and at the same time increase the material interest of enterprises in production growth but also that they better support planned structural changes in production, the process of concentration and specialization, utilization of production funds and create conditions for the expansion of production in all production areas."

One of the serious problems of our agricultural economy is precisely the diverse revenue situation of enterprises. From it proceed the shortcomings in enterprise and individual material incentives and problems of greater expansion of production funds.

Limitations in Earning Capacities

In spite of adjustments in agricultural taxes since 1975 and adjustment of the economic instruments as of 1 January 1977 it has not been possible to stop the growing economic disparity among agricultural enterprises working under better or worse natural conditions. The revenue situation of agricultural enterprises operating under inferior natural conditions is quite unfavorable.

For example, the JRDs [Unified Agricultural Cooperatives] in the SSR classified according to natural location achieved under better natural conditions Kcs 2607 clear profit per hectare of agricultural land, but JRDs with worse production conditions earned only Kcs 97. A similar unfavorable situation prevails also in the SMs [State Farms] where under worse natural conditions these showed losses of Kcs 647 per hectare of agricultural land. These differences in clear profit are partially eliminated by subsidies and

stabilization grants in operation. The function of the allotments is seriously weakened by this and, as pointed out at the 13th session of the CPCZ Central Committee, they do not fully deal with further development of production but rather the consequences of a bad enterprise revenue situation. In the SSR in 1977 41 percent of the JRDs and 87 percent of the SMs operating under worse natural conditions drew stabilization grants. Even after profits are adjusted through the grants and subsidies there is still an intolerable difference between enterprises operating under better or worse natural conditions. In the above-mentioned year of 1977 the JRDs in the SSR attained an adjusted profit per hectare of agricultural land of Kcs 2769 under better natural conditions but only Kcs 669 with unfavorable production conditions.

This fact was also confirmed by a statistically computed scale of earning capacities according to the production regions of the JRDs in the SSR. The earning capacities were calculated on the basis of the relationship of profit to material and labor costs. In the corn producing region 12.8 percent of the cooperatives had a negative earning capacity in 1978, in the potato and potato-oats region over one-third and in the mountainous production region almost one-half. On the other hand, an earning capacity of over 15 percent was attained by 54.1 percent of the Slovak cooperatives in the corn producing region, 18.8 percent in the potato region and only 14.1 percent in the mountainous production region.

The negative aspect of this situation is the fact that many JRDs in mountainous and piedmont regions often orient themselves to production associated with guaranteed financial returns but which diverts attention from the agricultural production itself. Likewise, even the JRDs with favorable natural conditions have not yet exhausted available reserves in the growth of earning capacity. The differences in profit between comparable above-average and under-average cooperatives are in the range of Kcs 2340 to Kcs 2860 per hectare of agricultural land.

Weakening the Khozrazchet

The shortage of their own financial resources in many agricultural enterprises is weakening application of the khozrazchet as the method of economic management on an enterprise and intraenterprise scale. Under the khozrazchet funds obtained by the sale of agricultural products are supposed to cover all community needed expenses connected with production and so create resources for greater expansion of funds for accumulation and consumption.

In 1977 the JRDs in the SSR with better production conditions paid out the sum of Kcs 2092 to workers as their share of economic returns and only Kcs 895 in the case of those with worse conditions. Cooperatives in Slovakia in favorable natural conditions gave Kcs 1003 per hectare of agricultural land to their development fund but those operating under worse conditions gave only Kcs 457. Similarly, those SMs with better productions allotted the sum of Kcs 816 to their development fund and those with worse conditions only Kcs 228. Consequently, it is hard to implement optimal material

incentives in the working collectives and in the intraenterprise khozrazchet units which are the backbone of economic management. A shortage of their own financial resources in the operating and investment sphere weakens the khozrazchet because expansion is to a large degree accomplished through allotments, subsidies and credits.

At the present time the turnover and reserve funds in JRDs and SMs in the SSR with inferior production conditions are two to three times smaller than in enterprises with favorable natural conditions. These disparities create heavy credit burdens and are intolerable for the khozrazchet situation of the enterprises. On the other hand, many enterprises in better natural conditions make sizeable deposits. In the case of a high credit burden even the profit created is absorbed by interest while in the case of deposits the profit is increased by the interest. This results in even greater economic disparity among the enterprises. In agricultural enterprises with bad long-term financial situations the quality of the replacement labor force is especially impaired; it begins to fluctuate and consequently the growth of agricultural production is slowed down. For the above reasons this year a distribution of turnover funds among individual SMs was instituted.

Correctness of the CPCZ Agricultural Policy

The direction of the CPCZ agricultural policy has been very correct and tenacious of purpose, including the introduction of an improved structure of systematic management in 1967. The formation of economic instruments of systematic management created better conditions for greater expansion and accelerated application of scientific technical findings under favorable natural conditions. It is well known that a koruna, a ton of fertilizer, seed grain or an hour's work have a greater effect under better production conditions. The successful fulfillment of tasks in the Fourth and Fifth Five-Year Plans was the result of correct agricultural policies of the CPCZ. The strategic political program of the 14th CPCZ Congress was carried out relative to covering increased food consumption through our own resources. Indeed, from 1970 to 1978 gross agricultural production in Slovakia increased by one-fourth, market production by 62 percent and the value of basic assets by over 90 percent.

With changing external and internal economic conditions we must, on the way to achieving self-sufficiency in foodstuffs, make more intensive use of all sources of growth in agricultural production, even under inferior natural conditions. Here it is necessary to make certain of optimal material resources.

The deterioration of conditions in the production process under the most unfavorable natural conditions was caused by unequal application of scientific technical advances. Under these conditions there was slower implementation of a higher degree of mechanization in individual branches of production and of progressive technology and industrial methods. The

disproportion is projected in increasing costs. Under these conditions there is lower intensity of production and productivity of labor. These problems are most striking in the production of bulk feed, potatoes and in the raising of beef cattle and sheep.

Contributing Toward a Solution

The resolution of the impact of differentiated incomes under particular natural conditions is of great significance for enterprise economies. We have a great diversity of natural conditions which influence the fertility of the soil and the efficiency of agricultural production. The make-up of economic instruments treating differentiated incomes is constantly being improved. The system-wide effect of differentiated surcharges and agricultural taxes has been proved on a broad scale.

Differentiated surcharges are an important economic instrument of systematic management. The level of purchasing costs does not fully cover all needed community expenses in agricultural enterprises with inferior natural conditions. These higher costs are covered by the differentiated surcharges in varying amounts, according to the natural conditions.

Distributing financial resources in the cooperative sector and in the SMs by means of agricultural taxes will also help reconcile revenue disparities among the enterprises. The tax rate for land with the best natural conditions is increased up to one-third. The overall amount of the land tax will increase about 15 percent. The tax on profit will be more progressively assessed for agricultural enterprises with higher earning capacities. There will be no tax on profits for earnings up to 5 percent and the tax for increased wages and bonuses in JRDs is abolished.

The 13th session of the CPCZ Central Committee charged management bodies with solution of the unfavorable revenue situation in SMs. Resources for greater expansion in enterprises of the state sector will be increased to a substantial degree which will reinforce their *khozrazchet* situation. Preference will be given particularly to SMs farming under inferior natural conditions but the increase in resources must be commensurate with increased production.

An adjustment of purchase prices in favor of beef cattle production will also contribute to reconciling income disparities among agricultural enterprises. It is precisely milk and beef which figure importantly in the market structure of agricultural enterprises in mountainous and piedmont production regions. Likewise, where there is a high representation of fields and pastures surcharges for milk will also be high.

The adjustment of economic instruments affects each agricultural enterprise differently. The aim of the adjustments is to create more optimal conditions for all agricultural enterprises and branches of production. Under no circumstances do we want to weaken enterprise material incentives of

agricultural enterprises with more favorable natural conditions and the development of worker initiative for greater dynamic and efficient intensification of production.

The adjustment of economic instruments should mobilize all reserves for increasing production and bring about more comprehensive and efficient application of scientific technical advances in production. It should help make better use of manpower and the entire material-technical base. Effective personal and graphic publicity and economic propaganda should contribute to a greater extent to the explanation and implementation of these objectives in agricultural enterprises.

8491

CSO: 2400

WORLD ECONOMIC CONDITIONS SEEN ADVERSELY AFFECTING GDR

East Berlin DEUTSCHE AUSSENPOLITIK in German Vol 25 No 2, Feb 80 signed to press 3 Jan 80 pp 91-95

[Article by Prof Dr Rudolf Brauer, Research Institute of GDR Ministry for Foreign Trade, East Berlin: "The GDR and the Change in the Capitalist Markets," This article is based on a contribution of the author at the Scientific Conference on the occasion of the 30th Anniversary of the GDR, held at the Institute for International Relations, Potsdam-Babelsberg, 5 Nov 79]

[Text] The SED Program, as adopted by the Ninth SED Congress, states that the GDR, in its foreign trade policy, proceeds from "using the advantages arising from the internationalization of economic life and the worldwide division of labor, on the basis of equal rights and mutual benefit, for socialist construction."¹

Proceeding from there, based on the close economic cooperation in the socialist community of states, and guided by the desire to develop relations of peaceful coexistence between states with differing social orders, we are developing our foreign economic relations with the capitalist countries in and outside of Europe.

After establishing normal diplomatic relations with those countries, and after long-term state agreements were concluded with circa 20 of those states on economic, industrial and technical cooperation, trade policy conditions for developing foreign economic relations with these countries have changed positively in comparison with the 1950's and 1960's. Thus our foreign trade turnover rose rapidly in recent years. Whereas in 1950 it came to only one billion valuta mark, it rose between 1970 and 1975 from 9.7 to 19.3 billion valuta mark. This doubling of our foreign trade turnover in valuta mark within 5 years was however partly also caused by the great price increases on the capitalist markets.

In 1978, the foreign trade turnover with those countries came to 22 billion valuta mark. There was much trade with the FRG, France, the Netherlands, Belgium-Luxembourg, Italy, Sweden, Switzerland, Austria, Great Britain, West Berlin and the United States.

Since the early 1970's, the economic situation in these countries and in their mutual foreign economic relations has fundamentally changed in comparison with the two preceding decades.

Over a long period in the 1950's and 1960's, most of these countries, despite repeated slumps, had altogether a relatively high rate of economic growth, favored by a number of temporary factors. Combined with it, capitalist international division of labor kept growing. A rapid increase in capitalist world trade was the result of the progressive internationalization of the reproduction process in the capitalist world economy. Prices on the capitalist markets fluctuated within the range that was normal under capitalism.

Since the early 1970's, especially in connection with the 1974/75 world economic crisis of capitalism--the worst cyclical crisis since 1929/32--the situation of the capitalist world economy has been marked by an intensification of all contradictions, the piling up of crisis manifestations, and increasing instability and inequities.

In his Central Committee report to the Ninth SED Congress in 1976, SED Central Committee General Secretary Erich Honecker stated: "Since the beginning of the 1970's, however, we have noticed a very special kind of linkage between the general and the cyclical crisis."²

What has happened since has proven how correct that observation was. Not only at the low point of the cyclical crisis of 1974/75, but even at present various crisis manifestations continue to exist, such as structural crises, massive unemployment, inflation, great imbalance in the trade and payment balances, and a currency crisis.

By the end of 1979, the situation was as follows: In the most important imperialist country, the United States, the business-cycle boom is finished after almost 3 years. A new cyclical crisis is threatening. Several capitalist industrial countries still show an upward trend at present, to be sure, mainly Japan and the FRG, but also Italy, Austria, Sweden, Finland, Belgium and the Netherlands, yet a clear reduction in economic growth is expected in those countries too in 1980. It can be seen that crisis manifestations with long-term effects, like inflation, massive unemployment and, not last, the energy crisis, are becoming more substantial again and instability is increasing in how the economy behaves in the capitalist industrial countries.

There are two sides to this whole development from our point of view. On the one side, we find confirmed time and time again every day how correct our Marxist-Leninist theory is of the unavoidability of crises in capitalism and its inability to prevent them. On the other side, direct and indirect effects arise from the capitalist world market which lead to changes in the foreign economic conditions for our carrying out our own economic plans.

What Are These Changed Conditions?

First of all, since 1973/74 prices have risen greatly for fuels, raw materials and other material, which requires that we strongly boost our exports to pay for the imports anticipated in the plan.

Second, the reduced growth, the interlinking of the general and the cyclical crisis, and the increasing instability of the capitalist economy have intensified competition on the markets and increased protectionism, which has worsened our conditions for selling our growing export volumes.

Fuel and raw material prices rose by leaps and bounds on the capitalist markets in 1973/74. Almost everything was affected by those price jumps. Compared with 1970, for instance, the price for petroleum rose sixfold and doubled for lead, zinc increased to more than four times what it had been, cotton doubled and so forth.

As result of the price jump a new price level for fuels and raw materials formed on the capitalist world market. This higher level was somewhat modified, to be sure, under the effect of the 1974/75 cyclical crisis, but as early as in the second quarter of 1977 the raw material price index exceeded the maximum level of previous years. In 1979 the price level for raw materials on the capitalist markets surpassed the previous maximum level of 1974 by approximately 30 percent. It turned out that the new and higher raw material price level caused by the price jump became permanent in character. Since 1971 crude oil has gone up tenfold.

Though the prices for finished products also rose constantly, in raw materials, as consequence of the price jump, the ratio changed between the development of the raw material prices and the development of the prices for finished products to the detriment of the latter. This incisive change in the price ratio has resulted in a considerable worsening of the terms of trade for all countries that must import much raw material and export a high volume of finished products--and that includes the GDR. In spite of great efforts in industry and foreign trade, for instance toward boosting exports and getting higher export prices, the altered trade conditions have had negative effects on keeping the trade and payment balances in line.

In his well-known Dresden speech, SED Central Committee General Secretary Erich Honecker commented on that as follows: "This multiple rise in prices within only a few years is something entirely new. This is a development that cannot be compared with the normal business-cycle fluctuations and inflationary trends that would keep within the range of a few percentages. It was therefore not to be anticipated in this magnitude and speed, and no one in the world did anticipate it. The whole price level for raw materials has extensively risen, and we have to face the fact that this situation will be with us for the long haul."¹

At the 11th SED Central Committee session in December 1979, Erich Honecker, in his Politburo report to the plenum, outlined the new situation that had arisen in the late 1970's as follows: "We must expect the price rise to continue. Thus we must recognize the sober truth that we are not facing a further intensification of a situation that was complicated anyway. An entirely new situation arises for us. The problem is in no way special for the GDR. All other socialist countries, in fact almost all countries in the world, will have to come to terms with it. But because of our raw material situation and our being greatly dependent on foreign markets it hits us especially hard."⁴

From the higher prices for vital raw material and fuel imports from capitalist countries results the compelling need for us to boost our exports and effectiveness of exports to those countries above and beyond the rates achieved thus far. At the same time we must, for the reasons mentioned, expect for years to come an extremely sharp and complicated competition and sales situation on those markets.

The capitalist governments and the firms in those countries are, to be sure, greatly interested in boosting their exports to socialist countries, to mitigate the effects of the crisis, but their efforts at increasing their imports from our countries are not keeping in step with it. On the contrary. For a growing number of markets we have observed since 1977 an increase in protectionist measures, like customs, higher dues for import goods, minimum price regulations, price-fixing, import blocks, all by bureaucratic procedures specially figured out for that purpose or by special technical regulations and so forth.

A further increase of such protectionist tendencies in years to come is perfectly conceivable. Establishing well-balanced export-import relations is then made more difficult still by those countries. For the same reasons also the commodity structure in the foreign trade between the GDR and those countries will then not meet the standards of economic development and of the possibilities on either side.

Compared with the early 1970's, the development of East-West trade has become somewhat slower in tempo since 1976/77. This reflects the reduced demands in consequence of the crisis and the slower economic growth as well as the increased competition and protectionism, especially because the socialist countries do not care for any sort of trade relations but want them to be as well-balanced as possible.

Our republic continues to be interested in expanding the trade and economic relations with those countries. That serves our economic development and also is in the interest of our trade partners. At the same time, trade between socialist and capitalist countries buttresses economically the peaceful coexistence relations between them.

How Can We, In Spite of Altered Foreign Economy Conditions, Further Develop Our Trade with Those Countries?

The Politburo report to the 11th SED Central Committee Session referred to contains the problems and tasks our economy is facing, and which it must solve so that we can operate on the foreign markets in conformity with our requirements.

The report says: "We must thus accept the fact that, at the threshold leading into the 1980's, new criteria will be placed on the development of our production for export, on the qualities and competitiveness of our products, and on their lucrativeness and marketability. We must improve our domestic performance to the extent that external burdens increase, and even more than that, for we also, as is well-known, have to do away with considerable burdens that come from the past. We must more resolutely still follow the course of performance improvement."³

We must, in the field of foreign trade, purposefully organize our production for export into the capitalist countries. Our supplies for export must conform, in their structure, assortments, qualities and volumes, to changing demands. To be able to meet competition we must more rapidly react to newly arising demands. More goods of better quality, especially products of the latest technological vintage, facilitate our getting higher prices for our exports.

We have every opportunity in the GDR and in partnership with the other CEMA member countries, above all the USSR, to increase or improve our export capacity and export structure in the manner necessary.

The alpha and omega lies in making available needed salable export goods and selling them most efficiently through improved market research.

At the same time it is necessary and possible to pillory the increasing protectionism of the capitalist countries and its negative effect on the expansion of economic relations between East and West and to press for changes. We should furthermore seek for suitable ways and means within the framework of the socialist community of states to mitigate the negative influence coming from increased protectionism.

We are certain our economy, based on the advantages of the socialist planned economy and socialist economic integration, will continue to be oriented to growth. In fulfilling our foreign trade tasks we find fighting tasks of the first rank.

Our certitude relies on the realization that our country's workers and cooperative farmers, its scientists and technicians, and its competent economic functionaries have always regarded difficulties and extraordinary economic demands as challenges for their inventive spirit and creative energy and have always responded with deeds.

FOOTNOTES

1. "Programm der Sozialistischen Einheitspartei Deutschlands," Berlin, 1976, p 33.
2. "Bericht des Zentralkomitees der Sozialistischen Einheitspartei Deutschlands an den IX. Parteitag," Berlin, 1976, p 23.
3. Erich Honecker, "Die sozialistische Revolution in der DDR und ihre Perspektiven" (The Socialist Revolution in the GDR and Its Prospects), Berlin, 1977, p 23.
4. NEUES DEUTSCHLAND, 14 December 1979, p 5.
5. Ibid.

5885

CSO: 2300

ECONOMIC PLAN FOR 1980 PUBLISHED

East Berlin GESETZBLATT DER DEUTSCHEN DEMOKRATISCHEN REPUBLIK in German
Part I No 45, 29 Dec 79 pp 457-461

[Official text of "Law on the 1980 Economic Plan of 21 December 1979"]

[Text] In implementation of the resolutions adopted by the Ninth SED Congress the 1980 economic plan is designed on the basis of the further improvement of the productive power of the national economy all-round to strengthen the German Democratic Republic.

The plan is based on the desire to achieve outstanding performances to serve as a source for economic growth, in order consistently to realize our program of full employment, public prosperity, growth and stability consonant with the resolutions of the Ninth Party Congress of the Socialist Unity Party of Germany, protect the standard of living we have achieved and gradually further improve it.

This requires us in 1980 in all sectors and branches of the economy substantially to raise output by all-round efficient management. A fundamental need is the further expansion of the material-technical base of the national economy by way of intensification and comprehensive socialist rationalization. The economic challenges arising to the GDR's economic and social policy from the steadily rising world market prices must be met by the improvement of the efficiency and quality of labor, especially the greater efficacy of science and technology, that the unity of economic and social policy may continue to be guaranteed.

The targets of the 1980 economic plan depend on the growing initiative and creativity of the working people in all sectors of the national economy.

In the further pursuit of the socialist competition with the proven slogan "a greater useful effect from each mark, each hour of work and each gram of material!" it will be necessary in all branches and sectors of the economy to utilize performance and efficiency reserves in fresh dimensions. All work collectives and each individual are called upon to commit themselves to greater efforts and develop new initiatives in order to strengthen the economic capacity of the GDR.

By this means the working people of the German Democratic Republic will make another significant contribution to the reinforcement of socialism, the maintenance of peace, detente and disarmament.

I.

The following main targets of the 1980 economic plan have been decided:

	<u>1980</u> <u>1979</u> %
Produced national income	104.8
Industrial goods production of the industrial ministries	105.4
Industrial goods production of the national economy	104.7
Improvement in productivity in the scope of the industrial ministries	104.5
Material investments	100.0
Including: Industrial ministries	102.4
Building production (comparable structure)	105.3
Housing construction (new buildings and modernization)	102.9
Production and services of farming and the food industry (net product)	100.5
Transportation and communication services	102.5
Net money incomes of the population	104.0
Retail trade turnover	104.0
Foreign trade turnover	112.0

Berlin, the capital of the GDR, must continue to be purposefully built up as the political, economic and intellectual-cultural center of the socialist German Democratic Republic.

The tasks for the all-round economic security of national defense, internal security and order must be realized as an integral element of the economic policy of the socialist state; the obligations arising therefrom must be conscientiously met by state and economy managing organs.

II.

The 1980 economic plan sets out the following targets for the growth of production and the improvement of the productivity and efficiency of social labor:

In Industry

	1980 : 1979	
	Industrial Goods Production	Productivity
Ministry for Coal and Energy	104.4	102.5
Ministry for Ore Mining, Metallurgy and Potash	104.3	103.8
Ministry for Chemical Industry	105.7	104.5
Ministry for Electrical Engineering and Electronics	107.3	105.9
Ministry for Construction of Heavy Machinery and Equipment	106.0	104.8
Ministry for Construction of Machine Tools and Processing Industry	107.8	106.7
Ministry for Construction of General Machinery, Agricultural Machinery and Vehicles	107.1	106.0
Ministry for Light Industry	102.4	102.6
Ministry for Glass and Ceramics Industry	106.2	105.4
Ministry for Bezirk Administered Industry and Food Industry	104.4	104.0

The production of economically important products is targeted as follows:

	Unit of Measurement	1980
Electric energy (million kilowatt hours)	gigawatt hours	100,900
City gas	million cubic meters	6,300
Finished rolled steel products	1,000 tons	4,774
Products of metallurgical further processing	1,000 tons	3,019
Steel pipe	1,000 tons	538
Cement	1,000 tons	13,030
Potash fertilizer	1,000 tons	3,400
Polyvinylchloride	1,000 tons	245
Synthetic fibers	tons	77,898
Metal cutting machine tools	million marks	2,111
Cold forming machine tools	million marks	608
Plastics and rubber processing machines	million marks	404

	Unit of Measurement	1980
Machines and equipment for the textile, clothing and leather industry	million marks	679
Fittings	million marks	1,111
Ball bearings	million marks	502
Low voltage transformers	million marks	680
Devices and equipment for supervision, re- gulation and control	million marks	1,362
Carpets	1,000 square meters	29,998
Knitted outerwear	1,000	47,604
Hosiery	million pair	328
Domestic washers	1,000	460
Domestic refrigerators	1,000	634
Including domestic freezers	1,000	185
Gas stoves	1,000	192
Bicycles	1,000	616

To ensure the fulfillment of building tasks for reconstruction and rationalization measures in industry as well as for the implementation of the housing construction program the following performance and productivity improvements must be achieved by the construction industry:

	$\frac{1980}{1979}\%$
Building production of the Ministry for Construction (comparable structure)	105.3
Industrial goods production	104.7

For agriculture, forestry and the foodstuffs industry the 1980 economic plan is designed to direct the initiative of cooperative farmers and workers in the state enterprises of agriculture and the foodstuffs industry to the further growth of production. The focus must be on a rise in crop production per hectare of agricultural area in particular, the improvement of productivity, the more efficient utilization of funds and the lowering of losses in animal and crop production.

For the production and processing of farm products the following state yield of farm products is set out in the following:

	Unit of Measurement	1980
Slaughter cattle	1,000 tons	2,300
Milk	1,000 tons	7,800
Eggs	millions	4,470
Vegetables (total)	1,000 tons	1,320
Fruit	1,000 tons	475

The working people in the foodstuffs industry and the essential foods industry have been assigned the task by the purposeful introduction of scientific-technical findings to ensure the greatest refinement of raw materials and safeguard the smooth-flowing supply of foods to the public.

In 1980 forestry must make available 9.3 million cubic meters of solid timber which the wood processing industry will have to use efficiently.

Transportation must increase the volume of freight transported to 105 percent (excluding maritime shipping). This requires the active and effective cooperation of all branches of the economy with the transportation services in order to ensure the most efficient possible loading and unloading as well as the most rational use of transport space. The handling services in seaports must be raised to 105.8 percent.

In 1980 the efforts and resources of geology must concentrate on the further exploration of resources and the expansion of the base of stocks, especially with regard to natural gas, raw brown coal, potash salts, selected building materials and glass/ceramics raw materials. To be continued as planned are the efforts to make available more groundwater and establish underground water storage space.

In the matter of water supplies it will be necessary to provide the prerequisites for the improvement and further stabilization of water supplies for the public, industry and farming. Especially in Berlin, the capital of the GDR, Leipzig, Karl-Marx-Stadt and other major cities will the measures for the improvement of supplies have to be pursued as planned.

The planned material funds for keeping water and air clean, for the utilization or harmless disposal of waste products and for noise abatement are to be used to the best effect for the development of environmental control. Priority is to be given measures in conurbations and large cities.

In the main sectors of qualitative development efforts should focus on the following tasks:

- The contribution of science and technology to the growth of the national income and distributable end product is to be significantly raised by the greater economic efficiency of research and development results as applied to production. Key points here are the accomplishment of the tasks relating to the development and use of microelectronics, automation, computers, the progressive refinement of chemical and metallurgical products as well as the introduction of special technologies to conserve materials, accompanied by the saving of time, the assurance of good quality and the steady improvement of the bulk-performance ratio.

The output of products with the "Q" quality mark is to be raised to 119 percent.

- It is imperative significantly to raise the efficiency of all investment operations. Here the principle applies that the investments included in the plan must be consistently carried out. In 1980 the concentration of efforts and resources on the completion and start of operations of the specified projects and construction sections must ensure the greatest possible growth in production and performance.

In order to achieve the effective material assistance necessary for socialist rationalization it will be necessary in 1980

To raise the output of branch specific rationalization aids in industry to 113 percent and increase the performances of the enterprises and combines own construction departments.

- In order definitely to lower production consumption in 1980 as compared to 1979 it will be necessary to lower as follows the specific consumption of important types of energy, raw materials and other materials:

Energy in industry	by 5.0 percent
Rolled steel in the metal processing industry	by 6.8 percent
Rolled steel in construction	by 4.3 percent
Cement in construction	by 2.0 percent

At least 80 percent of the lowering of specific consumption in combines and enterprises must be achieved by production-effective accomplishments of science and technology.

The utilization of secondary raw materials and industrial waste products must be raised to 104 percent in 1980.

- The 1980 economic plan must ensure the rational deployment of the social labor capacity. Ongoing consistent use of the scientific labor organization as an element of socialist rationalization must provide the proper conditions for safeguarding the improvement in productivity called for in the plan and further encourage the creative abilities of the working people in the working process, consonant with the rising standard of skills.

Particularly important here is the need comprehensively to make effective the measures for saving man hours by scientific-technological advances in order to achieve the greatest possible improvement in productivity.

By converting and reorganizing jobs with the help of the scientific labor organization, the working and living conditions of the working people must be further improved. Enterprises, combines and facilities must ensure the complete utilization of working hours, the improvement of order, safety and discipline as well as the lessening of waiting and idle times.

- In 1980 prime costs must be decisively lowered on the basis of the greater efficacy of science and technology, the improved utilization of basic assets, the reduction in production consumption--especially by better material management and the rational use of man hours. The profits earned by the state economy are to be raised to 109.7 percent in 1980.

III.

For the further improvement of the material and cultural standard of living of the people the following tasks must be carried out in 1980 on the basis of rising productivity:

- In the field of housing construction:

	Units of Measurement	1980
Units to be constructed	housing units	163,000
Including:		
New housing units	housing units	116,100
Modernized housing units	housing units	46,900
Of which:		
Private housing construction	housing units	10,700
Housing units provided by new construction and modernization for Berlin, the capital of the GDR	housing units	18,570

The funds made available for new construction and modernization are to be so deployed that the utmost quality and efficiency is achieved in housing construction. The existing building stock is to be used and maintained more carefully.

- Working and living conditions in state enterprises and combines, state farms, cooperatives and facilities are to be further improved as planned.

The comprehensive application of scientific-technological results in production and socialist rationalization must reduce the need for heavy manual labor as well as develop and use safe working aids and processes.

The communal feeding of workers, students and children must be improved as planned. The quality of meals and care for shift workers, women, juveniles and older workers must be further raised.

- It will be necessary to raise to 104 percent the net money incomes of the people. In accordance with the crucial contribution of the working class to the creation of the national income, the wages of blue and white collar workers will be raised again on the basis of performance oriented wages policies.

- For the further improvement of the public supply of consumer goods and services the following targets have been determined:

	<u>1980</u> <u>1979</u> %
Rise in retail trade turnover	104.4
Including: of industrial goods	104.7
of essential and nonessential foods	103.4

The public supply of goods of daily demand including services, rents and fares must be ensured at stable prices.

- The offer of industrial consumer goods at good quality, of good design and in fashion must be significantly increased to meet the public demand. Enterprises and combines must therefore develop and manufacture new and high-quality consumer goods.

The following targets have been determined for the development of domestic services:

	<u>1980</u> <u>1979</u> %
Services by industrial laundries respecting finished laundry for the public	104.2
Repairs of technical consumer goods	106.3
Motor vehicle repairs for the public	109.1

- The united socialist educational system must be further developed as per plan, consonant with the growing demands on the standard of communist education, the education and care of children, school students, apprentices and college students.

To improve the material conditions existing facilities are to be rationally used and the following new capacities provided:

For general education:	1980
Classrooms	<u>3,760</u>
Kindergarden places	15,860
Day boarding school places	19,900
Boarding school places	7,750
Gymnasias	172
For vocational training:	<u>1980</u>
Classrooms	284
Apprentice dormitories	6,200
Gymnasias	14

In 1980 universities and technical colleges will have to admit about 84,600 students, including 61,860 full-time students. The following capacities must be added:

	<u>1980</u>
Dormitory places	2,700
Classrooms, seminar and study rooms (places)	3,040
Cafeteria places	2,170

- The medical and social care of citizens must be further developed as per plan. For the further improvement of the material conditions it will be necessary to concentrate investment resources mainly on the reconstruction and expansion of existing medical and welfare facilities.

The following new capacities must be provided:

	<u>1980</u>
Medical jobs in outpatient clinics	308
Dental jobs	179
Creche places	10,641
Places in facilities for the treatment and training of physically and mentally handicapped children and juveniles	960

A total of about 360,000 spa places are to be made available for curative, convalescent and preventive treatment.

Recreational services, especially the vacation services of the labor unions, are to be further expanded by concentration on the completion of continued work on health resorts under construction, the reconstruction and modernization of existing facilities.

The following tasks must be ensured:

Vacation travel arranged by the FDGB and enterprises	4,100,000
Travel for families with three or more children	93,000
The provision of more beds in resorts run by the FDGB and enterprise associations	2,600

-- Physical culture and sports must be further developed as per plan.

Existing sports facilities must be better utilized and the following new capacities provided:

	1980
Sports arenas (outdoor)	49
Sports arenas (indoor)	8
Indoor swimming pools	3

-- Socialist culture and art must be further developed. It will be necessary to encourage the active role of the working class and youth in the organization of cultural life. Further opportunities for varied cultural activities must be provided within existing cultural facilities. To be continued as planned are the reconstruction of the Platz der Akademie in Berlin, the GDR capital, the Semper Opera House in Dresden and the Gewandhaus Concert Hall in Leipzig.

The contribution of radio and television to the satisfaction of the growing need of the working people for topical political information, education and entertainment in the service of socialism and peace must be further raised and coupled with the efficient utilization of the material funds.

IV.

To be carried out by the state and economy managing organs as firm elements of the 1980 economic plan are the tasks and obligations of the GDR arising from the further deepening of socialist economic integration among the countries of the Council for Economic Mutual Aid and the realization of the program of production specialization and cooperation of the GDR and the USSR through 1990. The planned and contractually settled export obligations to the USSR and other socialist countries as well as imports from these countries must be safeguarded as to volume, quality and assortment at the dates mutually agreed.

Trade relations and economic cooperation with the developing countries must be steadily further developed on the basis of agreements and treaties concluded.

Trade relations with capitalist industrial countries must be expanded as per plan and on the basis of equality and reciprocal benefit. In accordance with the profound changes on the world market it will be necessary to ensure greater flexibility and efficiency in the foreign trade operations of enterprises, combines and facilities. To do so it will be necessary significantly to raise the output and offer of profitable export lines which will satisfy the demand for quality and scientific-technical standards; goods assortments must consistently be oriented to actual marketing conditions.

Effective measures for the conservation and replacement of imports must be adopted, especially by the better utilization of the domestic raw material basis, a rise in our domestic production and measures to improve material management.

...

The People's Chamber of the German Democratic Republic appeals to the workers, cooperative farmers, members of the intelligentsia and all other working people in joint creative labors to implement the targets of the economic plan for the further all-round strengthening of the German Democratic Republic as the socialist state of workers and farmers.

The above law, enacted by the People's Chamber of the German Democratic Republic on 21 December 1979, is hereby proclaimed.

Berlin 21 December 1979

The Chairman of the Council of State
of the German Democratic Republic

E. Honecker

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CSU: 2300

SAVINGS DEPOSITS, INSTALLMENT BUYING DISCUSSED

Budapest MAGYAR HIRLAP in Hungarian 7 Feb 80 p 5

[Summary of press conference with Jeno Szirmai, managing director National Savings Bank: "Priority to Apartment Builders"]

[Text] Jeno Szirmai, managing director of the National Savings Bank [OTP] at his press conference yesterday revealed that on the first day of the year the population's total savings deposits approached 136 billion forints. Seventy-three percent of the deposits, nearly 100 billion forints, are kept as interest earning accounts. Last year, 3980 automobiles were raffled off for automobile lottery accounts. Because of changes in automobile prices and the down payment amounts, 190,000 cancelled their earlier orders. On the first day of the year, OTP held 340,000 automobile reservation accounts open. The number of youth deposit accounts also increased.

The population's credit requirements increased significantly last year, the director explained. During the year, OTP was able to meet every justified requirement, with the exception of personal loan requests. OTP paid out nearly 27 billion, and savings cooperatives 3 billion forints worth of loans. Eighty-eight percent of this amount consisted of long term apartment building and purchasing assistance credit.

With the price increased of building materials the upper limits of credit also increased, by 40,000 forints for single family house construction, and by 30,000 forints for repair and renovation, thus decreasing the population's excess liabilities. Last year, the savings bank participated in the financing of nearly 90 percent of the apartments being constructed.

In accordance with the government's measures, and by exploiting the available possibilities, OTP satisfied every justified apartment construction and purchasing credit request. For this purpose it paid out 14.5 billion in long term credits. With this significant amount augmenting the resources of those concerned, 29,000 single family houses, nearly 6,000 apartments in privately organized owner occupied tracts, namely, the purchase of 23,000 new apartments and the reappraisal of 3,000 repurchased homes became possible. Last year, in collaboration with the councils and enterprises, OTP constructed 13,300

apartments with its own investments. Of these nearly 8,500 were built with employer subsidies.

Last year, together with savings cooperatives, OTP granted credit for more than 900,000 merchandise purchases, 730,000 personal loans, and nearly 150,000 agricultural production loans.

We also heard about this year's plans at the conference. According to the opinion of OTP leadership, the total deposits will foreseeably increase by 12 billion forints in 1980. Utilizing long term credit, 30,000 single family houses and 6,000 owner occupied apartments can be constructed this year. The sale of 25,000 apartments is planned. Of these, 13,000 will be constructed with OTP investments, and 12,000 will be sold by the councils. The credit conditions for apartment construction and apartment sales are not changing.

The overwhelming majority of short and medium term credit serves to satisfy the expected increasing demands for merchandise purchase loans. OTP considers it an important task to assist with credit the acquisition of machines which ease women's household work. In accordance with youth policy measures, the satisfaction of the credit needs of young people starting families and young depositors are being assured. Those loan seekers who most need it on the basis of social factors receive the priority. The production growth of household and auxiliary farms continues to be supported through agricultural production loans.

The Ministry of Internal Trade, in concert with OTP and the Hungarian National Bank, and taking into consideration incomes and opportunities, established the schedule of items which can be sold through merchandise purchase loan actions, and the conditions of credit, effective 1 February.

The range of communications technology articles has not changed: radios, tape recorders, record players, consoles, electroacoustical equipment and televisions, including color sets, can be purchased through installment payment.

For the Color Star television, the down payment at purchase is now 30 percent -- appropriate for the general conditions -- rather than the previous preferential 10 percent. Electric heat pumps and gas furnaces have been removed from among heating equipment available through merchandise purchasing loans. On the vehicle schedule for two-wheeled vehicles, the range of small motors of Jawa, Babetta and Simpson decreased by 50 models. Pungalows, boats and outboard motors previously available on letters of credit can now be purchased only for cash.

According to the modified provisions, merchandise purchasing loans may be requested for items costing 1,500 forints, rather than 1,000. The length of loans up to 5,000 forints, with 20 percent down payment, is at most 12 months. Above this figure, the down payment is 30 percent, and the loan

period maximum is 18 months. Another change is that the lowest monthly installment payment became 300 forints from 150 forints.

Between 1 October and 31 March, home freezers and bicycles, with the exception of small motorbike models removed from credit action, are available for sale with a 10 percent down payment, under terms deviating from the normal -- up to 5,000 forints 12 month terms, and above that, 18 month terms. Weekend houses, with the exception of ones made of wood, can be purchased on 24 month terms with 30 percent down payment, and 36 month payments with 48 percent down payment. Surplus used automobiles of state enterprise are still available on credit, but only with 50 percent down payment and on 18 month terms rather than the previous 24.

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INCREASED LIVING STANDARDS FORECASTED

Gdansk GLOS WYBRZEZA in Polish 19-20 Jan 80 p 3

[Article by Prof Dr Kazimierz Secomski: "1971-2000, the Future: Our Joint Interest"]

[Text] Man, his work and the effects of his work, along with his aspirations, needs, and desires, all play a fundamental role in defining the goals and assumptions of the current long-range plan which is carrying Poland into the stage of the building of an advanced socialist society.

Therefore the size of Poland's population during the next 20-30 years is being treated as the first component in the structuring of the long-range prospects for development. Both the size of the population and changes in its structure permitting an estimate of the increase in labor resources represent the first initial assumption for the long-range plan. It is necessary to estimate how the society will develop numerically, what sort of structural and qualitative changes will occur in it, and what the population will be like in terms of distribution according to sex, age, and education, on the basis of general and detailed demographic forecasts which are compiled.

The most recent forecast in this area, the one drafted in 1978, tells us that in the year 2000 Poles will number 41.2 million, compared to 32.7 million in 1970.

In the light of this forecast, during the first decade (1971-1980) and the second decade (1981-1990), the numerical increase in Poland's population will be nearly identical (about 3.2 million). It will be only in the third decade that there will be a significant decline in this increase to 2.2 million.

Quite different, on the other hand, are the data of the forecast on the rise in the population of working age. That is, the substantial rise in this group of the population, which amounts to about 3.1 million persons during the first decade, drops suddenly during the second decade to only 1.1 million persons, a decrease of about two-thirds. Some improvement

occurs during the third decade, when the above increase rises to a level of 1.9 million persons.

In the year 2000 the number of children and youth will total 10.8 million persons, which is exactly the same as in 1970.

This information is an important factor in determining tasks in the realm of the reform which has been undertaken in education. To be more precise, during the first decade there will be some decline (about 0.5 million) in the number of children and young people, which will undoubtedly be some relief in terms of the quantitative targets of the education system in relation to the elementary schools. On the other hand, during the second decade (1981-1990) there will be a considerable numerical increase in this population group (to 1.2 million). Then, the third decade (1991-2000) will bring another decline in the number of children and youth, one of about 0.7 million persons.

The implementation of the modern system of education and upbringing, begun in keeping with the Sejm resolution, is still being based on the previous figures taken from the 1973 demographic forecast, which needs to be changed and supplemented in the light of the new forecast, but the instigation of the modernization of the educational system started with the period of the first decade, during which there is a correspondingly smaller influx of children and youth into various types of schools. This makes it possible to launch from the very beginning the basic task of the new reform, that is, the substantial modernization of the methods and directions of education, and to upgrade its quality and level.

Alongside the implementation of the basic reform of the system of education, there is an important problem which appears in the long range to the year 1990, the problem of the further education and vocational preparation of about 12 million young people who will be reaching age 18 during successive years of this period. This fact makes it necessary to provide for far better vocational working conditions and a higher level of education for about 7 million young people during the first decade and for another 5 million during the second decade (1981-1990).

The execution of a comprehensive reform in education should carry with it a substantial rise in the percentage of the population with a college degree employed in the socialized economy. It is estimated that this percentage will just about double, that is, increase from about 5 percent in 1970 to about 10 percent in 1990. There will be a still greater rise in the percentage of the population with a vocational secondary school diploma, that is, from 18 percent to about 50 percent. In the year 1990 the percentage of persons employed in the socialized economy who are college or secondary school graduates should increase from about 23 percent to more than 60 percent, which means that nearly two-thirds of the population by that time will be college or secondary school graduates.

Alongside the population of working or pre-working age, there is a third group consisting of the population of post-working age. According to the forecast prepared, this group of the population, given the fact that the lifetime period has been extended, will rise the most, a phenomenon which after all is typical in moderately and highly developed countries.

It is therefore obvious that the particularly great rise in the post-working population requires corresponding socioeconomic steps. During the 30-year period (1970-2000) the population of post-production age will increase from 3.6 million to 6 million. So too the proportion of the population of post-production age, which accounted for barely 11 percent of the total population of Poland in 1970, will increase to 14.6 percent in the year 2000. This process of the ageing of the population, which has been observed in most countries, almost means that the proportion of the population of pre-production age, which was nearly one-third of the total population (33 percent) in 1970, will decline to just about one-quarter of the population (26.2 percent, to be exact) by the year 2000. This emphasizes all the more the necessity of adequate expansion of proper areas of social policy related directly to various forms of care for senior citizens.

In order to make systematic improvement in the population's living conditions, apart from the rise in real wages and income, further development is required in social and cultural benefits and the improvement of housing and municipal conditions.

Alongside the progress in the area of education and upbringing accentuated above, measures essential to the expansion of public health and social welfare come to the fore. The development of social services to the ill requires at the same time that substantial progress be made in the area of prevention, particularly with regard to children and youth. The provision of universal medical care in town and country is related to a program to train a substantial number of physicians and nurses and to expand the network of public health facilities, particularly in rural areas. It is also necessary to expand greatly domestic production of pharmaceutical products and the system of efficient distribution of them to the entire population. This sector of the processes of social development requires longer, consistent organizational and training efforts and material outlays.

The targets of the long-range plan would also seem to call for the popularization of cultural services, because it is a matter of making them available to the broadest circles of the working population. Also needed is the substantial expansion of the share of services directly related to provisions for recreation, vacations, and the development also of sports and tourism. It should be added that in this area the social program is directly tied in to the provisions adopted in the policy of shortening the workweek, including the universal introduction of work-free Saturdays. The above benefits are a condition to making optimal use of increased free time.

We should put into a group of separate social problems too the need for the effective fight against a number of adverse social phenomena which accompany the successive stages of intensive economic development, sometimes on a growing scale. In the first place there is emphasis on the substantial intensification of phenomena called the ills of technical civilization, which become greater under the conditions of a greatly accelerating scientific and technical revolution. At the same time the new working conditions require that the population be assured of sufficient improvement in the possibilities of recreation after work, in order that working capability be restored as quickly as possible, especially as nervous tension grows.

A separate group of issues faces the policy of a systematic increase in real wages and income, because in practice this is the most important part of socioeconomic policy, and it permits the rapid improvement of individual consumption and the raising of the standard of living of the working population. The long-range idea is through it to increase substantially real monthly income, in order to satisfy individual and social needs to a far greater extent. At the same time radical changes are predicted in the structure of expenditures in the family budgets of the working population. It is true that there are projects of a further rise in expenditures for food, but their percentage of the total expenditures will decline correspondingly. The percentage of this group of expenditures, which accounted for nearly half of the family budget in 1970 (47.8 percent, to be exact), will decline by the year 1990 to far less than one-third (28.9 percent).

Finally, alongside the social benefits presented above and systematic increases in real wages and income, a basic element of the shaping of a higher standard of living for the population will be considerable improvement in housing and communal conditions.

In this area way back in 1972 a long-range program was set for housing construction (at the Fifth Plenum of the PZPR Central Committee) along with the concrete development of a number of points at the Eighth Plenum in 1977. In the first place this concerned the creation and rapid development of a modern housing industry.

The grand scale of the above program is shown by its projections which call for an overall doubling of the total housing resources in a period of 20 years. At the end of 1970 Poland had 8.1 million dwelling units. It is anticipated that as the result of natural decline in conjunction with the process of wear and tear, and the age of the buildings, these resources will decline to something less than 7 million dwelling units by the end of 1990. On the other hand, in order to resolve the housing question completely, during that time about 7 million new dwelling units will be built. During the first decade (1971-1980) more than 2.7 million of this number were to have been built. This program is going successfully. Nonetheless, it is essential to insure that housing construction has adequate impetus in order to insure that the housing

program which has been laid down is carried out in full along with an adequate range of municipal investments. The construction of comprehensively equipped new neighborhoods, new towns, and areas will help bring about changes in the nature of Polish towns and aid in their rapid modernization.

In order to provide for comprehensive material bases for the attainment of the basic goals set down in the program for the improvement of the population's living conditions, intensive development is needed in the economy's material-technical base, which will permit further rapid expansion of the size of national income. This income shows only in a synthesized way the total effects obtained, but, in the distribution phase it represents the basis for the planned expansion of joint and individual consumption and for the further expansion of the material base and its modernization.

During the first 20-year period after the war, national income in Poland has nearly quadrupled. A similar scale of growth is projected for the second 20-year period (1971-1990). This means Poland's entry into the group of most advanced European countries.

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ENERGY CONSERVATION PROBLEMS, RESULTS DESCRIBED

Warsaw ZYCIE GOSPODARCZE in Polish No 4, 27 Jan 80 p 5

[Article by Joanna Kwiek: "Produce or Economize?"]

[Text] I was once told by one of the managers of a giant industrial enterprise, as a summary of deliberations on achieving more efficient consumption of fuels and electric power: "One ton of conserved fuel costs me 10 times as much as a purchased ton of fuel."

This is true. Can this mean that it is not worth saving fuel and energy? Obviously a false conclusion, although it sometimes determines selection of targets and means, and not only temporary, at an individual enterprise -- when it is necessary to catch up on the quarterly or annual plan. In longer-term subbranch and ministry plans as well, production targets are also the most important thing, especially viewing electric power as another force of nature which simply exists. It is not expensive when it is purchased from the state system, but it is very costly when there is a shortage -- costing thousands and millions of zlotys in goods not produced.

We have not yet come up with a way to attach this calculation to the reasoning cited in the introduction. Therefore capital investment schemes aimed at improving fuel-energy management lose out -- as unprofitable -- to production capital spending. The effect is that we fail to achieve the targeted savings in fuel consumption recognized as absolutely essential if we do not want to waste the enormous effort we have invested especially in recent years in expanding our industrial potential.

Improving efficiency of fuel and energy consumption became a plan-targeted activity from the beginning of the 1970's, when we had no idea of the energy difficulties with which we would be struggling at the middle of the same decade. The first plan for improving fuel-energy management was drawn up for 1971-1975 and specified renovation undertakings for six of the largest industrial consumers of fuel and power (these were the following ministries: heavy industry, mining and power engineering, chemical industry, construction and building materials industry, as well as forestry and timber industry). Implementation of this program was to result in

savings of 3,070,000 tons of standard fuel, and reality differed from these intentions by only 6%. Except -- because a similar program was 73% accomplished in the first three years of the current five-year plan, and the initial estimate of last year and moving forward of targets continued in the current year compel one to assume that the five-year plan as a whole will end with a little-optimistic result: 65% of target.

According to the stated targets, implementation of this program was to bring by the end of 1980 fuel and energy savings of 3.2 million tons of standard fuel over 1976, and more than 9 million tons for the five-year period as a whole. The plan for the current year -- drawn up for the first time as an annex to the National Socioeconomic Plan -- specifies a target of approximately 1.5 million tons of conserved fuel. The largest targets were assigned to the ministries of power industry, transportation, metallurgy, chemical industry, construction and construction materials industry.

Industry Prefers to Purchase

Targeted for 1976-1978 were approximately 1,300 undertakings, while savings in that period were to total 3.4 million tons of standard fuel. In actuality the savings totaled less than 900,000 tons. A total of 300 improvement plan items were not carried out, with performance each year falling behind worse than the preceding year. The following ministries did the best job of meeting their targets: Mining, Power Industry and Atomic Energy, and Heavy and Agricultural Machine Industry (above 90%).

What has happened? Is it that what we were able to do in the first five-year plan is not proving successful in the following one, in which fuel and energy conservation has become so important? Receiving performance reports from individual ministries, subbranches and enterprises on unfulfilled targets and failure to meet timetables, the Main Inspectorate of Fuel-Energy Management invariably hears the same explanations: a lack of funds and execution potential, and on the other hand difficulties in taking equipment off-line for renovation due to threatened failure to meet production targets.

Capital investment activity in the current five-year plan is without question more difficult than in the previous one. Can this, however, justify failure to meet assigned conservation targets? Of course not, because the policy of the individual ministries also determined the low degree of target achievement.

A paradoxical situation, but this is demonstrated by considerable over-fulfillment of the "efficient utilization of fuel and energy" plan -- also a capital investment plan in large measure -- which functions in parallel with the improvement plan. The difference between them lies in the fact that the latter contains undertakings which are particularly effective for improving the energy balance, while the former constitutes a totaling up

of savings obtained as it were on the occasion of modernizing and renovating a production process. We cannot accept successes in this area as compensation for failure to fulfill the improvement plan, for fuel and energy savings achieved here fail in many cases to improve the energy balance -- savings reckoned as the fruit of planned technological progress. On the other hand, in the efficient utilization program there were many targets connected with current operation of machinery and equipment -- under the slogan of inspection to ensure premises are weather-sealed, equipment is properly cared for, windows are washed, doors are closed, etc, items which should be a matter of daily routine, not cause for praise if one remembers them. If the District Inspectorate determines negligence in this area, it simply levies a fine. There is no way to check or document declared benefits. According to the estimate of ministries, implementation of this program in 1976-1978 exceeded the target by 42%, while some ministries met their savings targets by 300 and 400%.

A sum of 11 billion zlotys was specified for implementation of modernization and renovation measures aimed at improving fuel-energy management. At the present time it is greatly reduced, for ministries are extensively transferring financial outlays, investment funds and manufacturing capacity to industrial capital projects, which is causing delays in achieving many of the program targets, and is even causing failure to meet targets.

A check made by the GIGP-E [Main Inspectorate of Fuel-Energy Management] indicated that industrial plants have no incentive to carry out measures producing exclusively energy effects.

Such a policy on the part of industrial enterprises as well as entire ministries -- although justified by economic motivations and various current difficulties -- cannot be tolerated, since new production facilities are coming on-stream in a situation where already existing facilities are short on fuel and electric power.

The high degree of implementation of the program of the first five-year plan was due to the fact that this business was laid out in an unequivocal manner, leaving the ministries no possibility for such maneuvers. Namely, of the capital investment funds appropriated for those six ministries, funds in a certain amount were specified which could not be spent other than for implementation of this program. Secondly, adoption of any changes in the program required the consent of the then Ministry of Mining and Power Industry and could not cause a decrease in savings to be achieved in the given year.

Such strict regulations are lacking in the program of the current five-year plan, and practical experience is proving that only handling things in this way can lead to the desired effects.

For in spite of the savings obtained in recent years as declared by the ministries, our country's energy balance has not improved. In addition,

the energy intensiveness indicator of our national income has risen to 1.5%, a figure which was below 1% as recently as the end of the last five-year plan. The fuel and energy unit consumption figures for production of the majority of energy-intensive product items have become worse: it is estimated that from this one factor we consumed more than 2 million tons of standard fuel additionally in 1978.

Measures contained in the improvement plan apply chiefly to modernization and renovation of existing power equipment and production flowlines in order to reduce their energy-intensiveness, or their elimination, to be replaced by modern and energy-efficient equipment and manufacturing processes.

Equipment, Technology, Organization

The effects attained due to achieving individual targets are quite diversified. The most effective from the standpoint of reducing product energy intensiveness are innovations adopted in the metallurgical industry, chemical industry, construction and the building materials industry, as well as in the power industry.

Following are several examples of the needed areas of action.

Improving the efficiency of generation of electric power is a long-range task implementation of which is taking place by stages, bringing greater effects each year. Actions here are proceeding in three directions: by increasing the share of large power generating units in production of electricity, improvement in the efficiency of generating heat, as well as an increase in the degree of combined production of thermal energy and electric power -- the most efficient manner of utilizing energy raw materials. There still remains much to be accomplished in each of these areas, while the Ministry of power industry was the leader in achieving targeted fuel and energy savings in this year's plan.

Achievements in this area include the new 200 megawatt power generating units at the Jaworzno and Rybnik power plants, as well as 500 megawatt units at the Kozienice Power Plant. In 1978 we completed work on a condensing steam turbine to operate in a combined system. The heat and power plant in Elblag served as the proving ground for this unit, and as of October of this past year this turbine has gone into regular operations throughout the heating-plant system.

A basic project in the metallurgical industry is replacement of obsolete and energy-intensive open-hearth furnace by the converter process. Thanks to converting over production by the Katowice Steel Mill, we eliminated six open-hearth furnaces, which produced savings in scarce gas fuels and furnace oil equivalent to 40,000 tons of standard fuel.

In the chemical industry a hot water main from the Stalowa Wola Heat and Electric Power Plant to the Jezioro Sulfur Mine went on-stream in October

1978. Replacement of the natural gas burned in hot-water boilers up to the present time with hot water heated at a coal-fired heat and power plant will make it possible specifically to free each year for the nation's economy approximately 600 million cubic meters of high-methane natural gas, which is one of the basic but at the same time highly short-supply raw materials for the chemical industry. We achieved a similar result by building coal-fired heating plants at the mines in Gzybow and Olendry. Incidentally, the sulfur mining method employed, which is a Polish innovation, correct and economical from a technical standpoint, is a graphic example of how we long failed to note the need for more efficient fuel and energy utilization.

At the Nitrogen Plant in Kedzierzyn, the basic raw material for producing ammonia was changed from coke to natural gas (which means an annual savings of approximately 70,000 tons of standard fuel). Steam boiler feed-water is also now preheated by heat generated by chemical processes. This does not exhaust the possibilities of the Kedzierzyn plant in this area. The enterprise's heat and power plant could heat all of Kedzierzyn, which would make it possible to shut down several old municipal boiler facilities which are very inefficient in converting coal into heat.

Last year the Oswiecim Chemical Plant modernized its methane conversion operation, at the same time utilizing methane gas from the Brzeszcze mine which had previously been vented off into the atmosphere.

A principal task in the area of achieving more efficient energy consumption in the building materials industry is replacement of the wet method of producing cement with a dry method -- which requires half as much energy. This production method is already being used at the new Gorazdze Cement Plant as well as the cement plant in Ozarow. Up to the end of 1978 savings obtained by this process totaled 200,000 tons of hard coal (the cement plant in Ozarow was just in the startup phase at that time, so that results achieved last year are considerably greater).

Electrification of rail motive power is producing considerable savings in high-calorific hard coal. By the end of 1978 188 km of electrified rail line had gone into operation on the Polish State Railroads, including the Jarocin-Gnieszno, Poznan-Inowroclaw, and Rokitno-Krzyz sections. Withdrawal of steam locomotives and assignment of more efficient electric locomotives to these sections made it possible to save nearly 300,000 tons of coal.

Large amounts, and more with each passing year, of kilowatts of conserved electric power are gained by new processes and equipment for heat treatment in a vacuum, developed by the Institute of Precision Mechanics. These include a process of hardening tools of high-speed steel employing a shielding atmosphere in place of salts, a process already adopted at the Polmo Delivery Van Factory in Szczecin, and which is to be adopted in these next few years by 50 other machinery industry plants.

Enormous energy savings are being produced by a new carburization process as well as heat treatment based on heating charges by the induction method, which consumes one fifth the energy of the traditional furnace method.

Enormous potential for energy conservation lies in modernizing and renovating power equipment in industry, but unfortunately this potential is difficult to achieve in practice -- and for very trivial reasons: a lack of spare parts, machinery and equipment, and insufficient production capacity at specializing enterprises. This equipment includes primarily industrial heating furnaces, boilers and auxiliary equipment, drying ovens and so-called evaporators, blowers and driers, control equipment systems, etc. It is estimated that efforts initiated to improve this entire area of industry made it possible to reduce consumption of fuel and energy by approximately 300,000 tons of standard fuel in 1978.

Utilization of waste heat from industrial processes, with 80% utilization theoretically possible, is the domain primarily of the chemical industry. In the last two years the degree of waste heat utilization has increased substantially, and utilization of 75% of waste heat is targeted for the end of this year. This is a costly business, requiring the construction of special heat recovery installations (recuperators, waste-heat boilers, entire turbine units, etc), while the benefits are entirely in terms of energy. Therefore capital investment projects of this type have a tough time, and large amounts of heat are still simply being exhausted into the atmosphere. For example, the Nadodrzanski Organika-Rokita Organic Chemical Industry Plant is wasting so much hot steam due to the lack of a turbine unit that, after heating the plant, it could produce annual savings of 30,000 tons of standard fuel. At the Lenin Steel Mill steam from the converters is simply exhausted into the atmosphere. Construction of a steam superheating station was halted, in spite of the fact that the foundations had already been laid; steel structural members and basic equipment imported from abroad are lying unused in warehouses. This means the loss of approximately 40,000 tons of standard fuel. The situation is similar as regards utilization of exhaust gases. At a salt mine in Wieliczka, for example, 4.2 million cubic meters of gas, which could be used for producing useful energy, is simply vented into the atmosphere.

The Main Inspectorate of Fuel-Energy Management carefully calculates how many tons of fuel we have failed to conserve due to a lack of machinery, equipment, boilers, and specialty industry production capacity. These calculations produce a result of not tens of thousands but hundreds of thousands of tons. The Ministry of Power Industry, which 3 months ago took over the manufacture of power machinery and equipment, is pledging a substantial improvement of the situation in the area of supply.

Unquestionably more efficient consumption of fuels and energy is being made more difficult by the fuel and energy shortage -- restrictions, and especially no-supply situations. Here undoubtedly lies part of the reason why we have not improved the energy-intensiveness indices on our production -- for what we have gained with modernization and renovation efforts

we have lost due to disruptions in production. Until such time as we substantially reduce the energy shortage, we shall be unable to accomplish a great deal in this area. We can ease the shortage in two ways: either by generating additional megawatts, or by conservation.

The choice here is obvious, for a ton of fuel or conserved kilowatt of electricity is many times cheaper than the cost of producing that ton or kilowatt.

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CSO: 2600

MERA-60 COMPUTER DEVELOPMENT, PRODUCTION DESCRIBED

Warsaw TRYBUNA ROBOTNICZA in Polish 30 Jan 80 p 4

[Article by Andrzej Klimek: "Mera-60 for Every Occasion"]

[Text] Automation and the incorporation of electronic components and computers in the daily practical industrial and economic activities is one of the conditions for improving efficiency of management.

Tasks in this area are specified by the Directives to the Eighth PZPR Congress: "Implementing the tasks of scientific and technological progress, it is necessary in coming years to ensure conditions for achieving substantial advances in the following areas:

automation of units, production lines, shops and factories; first priority should go to automating manufacturing processes, monitoring-testing, and designing in industry, as well as control of systems in the power industry, transportation, communications, health service, domestic trade and services;

employment of high-productivity and reliable industrial robots and manipulators in production processes;

development of modern computation techniques, research methods and methods of analysis of design and production quality control;

employment of microprocessors in automation equipment, in control systems, calculators and electronic testers, as well as in robots and manipulators."

Electronics Controls Production

Achievement of these objectives requires first and foremost suitable electronic equipment meeting high standards. One of the most important pieces of equipment in the chain of electronic systems was developed recently in Katowice and Sosnowiec. It is the high-class Mera-69 micro-computer. This excellent computer was born from concrete needs of the economy.

For quite some time now the Control Systems Institute, a component of the Mera-Ster Scientific-Production Center in Katowice, has been working on production process automatic control systems. They have developed here a number of such systems, but in many instances their adoption has proven impossible due to a lack of suitable hardware, especially central units. Therefore the need arose to begin manufacture of suitable computers, designed chiefly to control industrial processes. They knew from the outset that this had to be as small a computer as possible, that is, in conformity with the world trend, for at the present time 10 mini-computers and at least 100 microprocessor-based microcomputers are being built for every large computer on the world average. In the meantime we in Poland essentially did not have any microcomputers at all. We should add that in the United States, which was the sole producer of equipment of this kind, they are covered by a trade embargo, and we cannot purchase them.

Thanks to establishment of a cooperative arrangement with the USSR, Mera-Ster was able to purchase a certain number of basic components (chiefly microprocessors) and in March of last year began designing a microcomputer. A model was completed in May, a prototype in July, and by the end of 1979 the first 30-unit series of the Mera-60 microcomputer had been produced. It is the result of the efforts of a 150-man team of specialists from ISS, the Experimental Establishment, and the Industrial Automation Equipment Plant; Engineer Michal Woznica was the principal designer. Their efforts were honored by this year's voivodship prize.

Precision, Accuracy, Quality

The Industrial Automation Equipment Plant in Sosnowiec, also a component of the Scientific-Production Center, began series-manufacture of the microcomputer. Until recently this was a small enterprise manufacturing equipment to measure the temperature of molten metals, control equipment for mining, power engineering, the textile industry and construction, monitoring and test equipment, etc. The microcomputer has caused a real revolution at the plant, for it is a piece of equipment requiring the highest degree of precision, accuracy, and quality. Production was started up unusually rapidly thanks to the enormous, genuine commitment on the part of the work force.

"Our plant did not have a tradition in such complicated hardware as an electronic computer," stated the director of ZUAP [Industrial Automation Equipment Plant], Mgr Inz Janusz Grzemowski. "Putting this hardware into production required a great effort on the part of all personnel. We realize that this is our big chance to grow. The best testimony to this is our output in value terms: 300 million zlotys last year, with a targeted 525 million this year. In addition we have enormous export potential. The quality of our computers is perhaps best indicated by the fact that 30 microcomputers have been purchased by the Nuclear Research Institute at Dubna, which is one of the most demanding clients in the world."

All CEMA member nations have indicated an interest in the microcomputer. Demand is considerably greater than production capabilities. This year the plant in Sosnowiec will produce 200 units. We might add that other than the microprocessor, which is imported from the USSR, all other microcomputer components are manufactured in Poland (including the CRT monitors and tape punch units in Zabrze).

Monitored by Microcomputer

We have been speaking the entire time about the Mera-60 microcomputer. Strictly speaking, today this is an entire family of hardware, two types in which are being series manufactured, with a third ready to go into production. The first units will be installed in the diagnosis and temperature monitoring system on the 2000 rolling mill at the Katowice Steel Mill. The idea of this system aroused considerable interest at an international exhibit in Moscow last year. It was developed at the Control Systems Institute. Soon the Mera-250 microcomputer, based on microprocessors of Polish manufacture, will go into production.

Thus Katowice Voivodship has become this country's third largest computer hardware manufacturing center, after Wroclaw (large computers) and Warsaw (mini-computers). In addition, this hardware meets the highest world standards. Microcomputers from Sosnowiec, specially adapted to work in conjunction with automatic control equipment and with an elaborate and foolproof system of communication with controlled equipment, are well suited for the function of central units in production process automatic control systems.

There is enormous demand for such equipment, demand which substantially exceeds the plant's present production capacity. In spite of an already undertaken modernization program, Sosnowiec ZUAP is not fully adapted for this type of production. The enterprise is scattered, localized at several facilities -- a greater concentration will produce considerably greater effect, and particularly would permit growth in production. There is also still a shortage of highly-qualified specialists, especially in electronics. In this area the plant is counting primarily on graduates of the appropriate departments at the Silesian Polytechnic Institute.

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ROMANIA

PARTICIPATION IN INTERNATIONAL ECONOMIC ACTIVITY GREATER

Bucharest REVISTA ECONOMICA in Romanian No 47, 24 Nov 79 pp 23-25

[Article by Marin Traistaru, deputy minister of foreign trade and international economic cooperation]

[Text] As assessed in the report given by party secretary general Nicolae Ceausescu, the Romanian people, under the leadership of the party, have obtained major successes in the socio-economic development of the country, in achieving the objectives set by the 11th Congress of the Romanian Communist Party.

The multilateral development of the economy, the diversification of the structure of products and the upgrading of the technological and qualitative standard of output have been instrumental in Romania's active participation in world economic activity, in the expansion of trade with other countries. The volume of Romania's foreign trade under this five-year plan is growing at an average annual rate of more than 15 percent in the context of broader trading and cooperative relations with socialist countries, developing countries, developed capitalist countries, with all countries, regardless of their social system. Firmer action with better results was taken to increase the efficiency of economic exchanges, to heighten the marketing standard of Romanian products on international markets, to improve the return rate and the relationship between Romanian currency and other currencies.

Proceeding from the idea that active participation in world economic activity is a decisive factor of the socioeconomic development of every country and also an objective need for building a new international economic order, for establishing cooperation and peace in the world, our party and state conduct an active foreign policy, characterized by broad opening toward all countries by outstanding input into restructuring world economic relations.

Romania firmly bases its relations with all states on the principles of full equality, respect for national independence and

sovereignty, noninterference in domestic affairs, mutual benefit, renunciation of the use of force and threat to use force, respect for each people's right to determine their socioeconomic development in accordance with their will, without any outside interference, respect for their right to build a free and independent life for themselves.

Table 1. Dynamics of Some Major Indicators of Romania's Economic Development

Tabelul nr. 1		
Dinamica unor indicatori principali ai dezvoltării economice naționale a României		
	1978/77	1976/75
1) Venitul național	107,6	130,0
2) Produsul global industrial	108,4	137,0
3) Comerțul exterior	110,9	146,0

Key:

1. National income
2. Total industrial output
3. Foreign trade

In the process of constant expansion of Romania's participation in international economic activity, of paramount importance are the multilateral domestic and international activity of Nicolae Ceausescu, the visits paid, the documents signed at the highest level, and the specific leadership, the day-by-day guidance, of the activity in the foreign trade sector. In light of economic growth, the qualitative and structural changes, and greater competitiveness of Romanian products on foreign markets, Romania's foreign trade volume constantly expanded in the first 3 years of the 1976-1980 Five-Year Plan and the annual average growth rate was 13.4 percent. Significant of Romania's growing participation in international economic activity and of the greater input of foreign trade into economic growth is the fact that during this period foreign economic exchanges developed at a more rapid rate both versus industrial output (11 percent) and versus the national income (9.1 percent). This places Romanian economic development rates among qualitative trends on a world scale.

In 1978, the total volume of foreign trade was 77.4 billion lei in foreign currency, which means an increase by a factor of 28 over the level for 1950.

Table 2. Expansion of Romanian Foreign Trade During 1950-1958
Period (%)

Tabelul nr. 2

Creșterea comerțului exterior al României
în perioada 1950-1958 (%)

1950	1960	1965	1970	1975	1978
100.0	209	478	836	19 071	28 071

Key:

1. By a factor of 28

As a result of this growth the volume of Romanian foreign trade accounted for 1.2 percent in 1978 versus 0.37 in 1950. This development was also generated by the fact that Romania's input into world production exceeds 1.5 percent. The rapid development of Romania's foreign economic exchanges is accompanied by the continuous upgrading of the pattern of exports and imports.

The qualitative changes in the industrial growth of socialist Romania have also been amply reflected in the pattern of exports. A basic trend involves the greater volume, in Romanian exports, of products which incorporate a great amount of research, technical quality and sophistication, for the purpose of ensuring better utilization of the resources of raw materials and lower energy consumption rates. For instance, while in 1950 machinery, installations and chemical products accounted for 5.9 percent of all exports, products of the machine building and chemical industries now account for 45 percent of exports.

In addition to the change in the pattern of Romanian exports at the level of major groups of products, there also has been a continuous expansion within each group of processed products, involving the items which incorporate a greater amount of domestic creativity, new and modernized products, characterized by technical and qualitative features which are on a par with those of foreign makes. Regular items on export lists include sophisticated products such as: oil equipment, tractors and motor vehicles, chemical facilities, cement mills, electrical motors, radio receivers and television sets, machine-tools, excavators, man-made yarn and fibers, plastics, synthetic rubber, and so forth. In the group of machines and facilities for transportation, outstanding are facilities which Romanian industry and research can provide in very different fields. The proportion of this subgroup that incorporates technological progress in 1978 was 22 percent of all

exports of transportation equipment. New export items in 1978 included: U 520, U 530 and U 640 wheeled tractors with greater diameter, S-500 and S-600 caterpillar tractors, new types of machine-tools, Hopper type cars, new types of ball-bearings, clock radios, television sets with integrated circuits, invoicing and accounting machines, rural telephone exchanges, new types of furniture, garments, knitwear, and so forth.

Table 3. Pattern of Imports in 1978 (%)

Tabelul nr. 3	
Structura importului în anul 1978 (%)	
1) Mașini, utilaje și mijloace de transport	37,1
2) Combustibili, materii prime și metale	49,0
3) Produse chimice, îngrășăminte, cauciuc	6,7
4) Materiale de construcții	1,2
5) Mărfuri alimentare, inclusiv animale vii	2,3
6) Mărfuri industriale de larg consum	3,7

Key:

1. Transportation equipment
2. Fuel, raw materials and metals
3. Chemicals, fertilizer and rubber
4. Building materials
5. Food products, including live animals
6. Industrial consumer goods

Great participation of the Romanian industry in international economic activity also is reflected in the large proportion of exports in the total production of a number of goods such as: tractors (62 percent), trucks and tractors (56 percent), radios (40 percent, tires (30 percent). Moreover, we must emphasize that every third worker is involved in production for export, processing of imported goods and international cooperative projects. Imports are primarily designed to meet economic needs in terms of raw materials, ensure the investment program pertaining to some high-standard machines and installations, and provide the population with specific consumer goods.

The objective need for Romania's participation in the foreign economic interchange also is reflected in the ample provision of imports required by the economy in terms of raw materials such as crude oil -- 45 percent, iron ore -- 84 percent, natural rubber -- 100 percent, and equipment for investment projects.

The complex nature of international economic relations required Romania's participation in international economic activity along

new qualitatively structural lines, in the context of promotion of mutually advantageous forms of cooperation in production, science and technology, which permit the flow of material values, transfer of technology and technical aid, and liquidity by influx of capital and credits. The year 1978 saw the development of 300 projects of international economic cooperation, including 125 with socialist countries, 122 with emerging countries and 53 with developed capitalist countries.

In 1978, under cooperative projects, deliveries and work on 11 facilities abroad were completed and 54 new projects were entered upon, including a joint trading company, nine projects for co-operation and specialization in production, and 44 new complex facilities abroad. Major economic units were recently completed, an outcome of fruitful cooperation between Romania and partner countries. They include the Banias refinery (Syria), the Pancevo petrochemical complex (Yugoslavia), the Nador sea harbor (Morocco), and so on.

Table 4. Forms of Cooperative Projects in Progress During 1978

Tabelul nr. 4	
Forme ale activitatilor de cooperare afilate in dezvoltare in cursul anului 1978	
1) Companii comune de productie in Romania	8
2) Companii comune de productie in strainatate	28
3) Companii comune de comerț si bancare in strainatate	10
4) Cooperare si specializare in productie	30
5) Completarea proiectelor in Romania	30
6) Cooperare pentru obtinerea materiei prime	7
7) Completarea facilitatilor in strainatate	17
8) Alte forme	119
Total	259

Key:

1. Joint production companies in Romania
2. Joint production companies abroad
3. Joint trading and banking companies abroad
4. Cooperation and specialization in production
5. Completion of projects in Romania
6. Cooperation for obtaining raw materials
7. Completion of facilities abroad
8. Other forms

In 1978, the international economic cooperation program accounted for an input of 17.5 percent into implementing the Romanian exportation plan and for a greater proportion of imports.

In compliance with the principles of its foreign policy, Romania constantly conducts a policy of broad expansion of its economic relations with the socialist countries, with the developing countries, with all countries, regardless of their size, economic potential, geographic location or sociopolitical system, in this respect proceeding from the very requirements of progress in the modern world. Romania now has economic, trade, and economic cooperation relations with 140 states, versus only 29 in 1950.

An outstanding factor of expanding and diversifying the geographical area and broadening our foreign relations involved high-level visits and meetings, the talks of party secretary general Nicolae Ceausescu, President of the Socialist Republic of Romania, with many state leaders and heads of international economic bodies, during which new projects for cooperation and expansion of economic exchanges were agreed upon.

The Documents of the 12th Party Congress reaffirmed that Romania naturally gives prominence to expansion of economic exchanges and cooperation with socialist countries, to which our country is related by identical social systems, by common basic goals and aspirations, by the ideals of socialism and peace in the world. In this respect it was emphasized that our country makes an active contribution within the framework of CEMA, working in the spirit of the decisions jointly endorsed and of the provisions of the Complex Program. There has been a greater involvement of our country -- under bilateral and multilateral programs -- in the activity of coordinating national economic development plans, of expanding specialization in production, in building industrial facilities under joint investment projects, of cooperating in the area of currency-financial and credit relations, in conducting joint research, and of creating international economic organizations and unions, with headquarters on territories of partner countries or in Romania. In 1978, economic exchanges with CEMA countries accounted for 39 percent of the total volume of our foreign trade. Moreover, economic cooperation with all the other socialist countries is expanding, in the interest of building the new society, for the benefit and prosperity of our peoples. Projections for 1985 foresee that economic relations with socialist countries will account for 48 percent of our foreign trade.

Socialist Romania -- itself a developing country -- pays special attention to expanding and diversifying economic relations with the other developing countries, as an expression of solidarity with their struggle for economic, social, and national liberation

and support for their development along the path of progress. The input of the more than 100 partner developing countries was 20 percent in 1978 and the trade and cooperation agreements concluded with these states provide favorable conditions for the further increase in their input into our foreign trade. Furthermore, our country is expanding cooperation with these countries within the framework of the "Group of 77," within the framework of GATT, and with the group of nonaligned countries.

In conformance with its realistic policy, which considers that in the current international context, cooperation with all the countries, regardless of their social system, is an objective requirement of participation in the international division of labor, our country has continued to expand trade interchange and cooperation with developed capitalist countries.

Table 5. Course of Romania's Economic Exchanges in 1978 (%)

Tabelul nr. 5	
Orientarea schimburilor economice ale Romaniei in anul 1978 (in %)	
1. Socialist countries	48.3
2. Developing countries	29.3
3. Developed capitalist countries	22.4

Key:

1. Socialist countries
2. Developing countries
3. Developed capitalist countries

The Report given to the Congress and the Directives forcefully emphasize that, concurrently with developing projects for expanding economic exchanges and cooperation on a bilateral basis, Romania conducts an ample activity on a multilateral basis, for the promotion and achievement of a new world economic order.

Romania is a member of more than 40 major international bodies with economic and financial activities, including the UN Economic Commission for Europe, UNCTAD, GATT, FAG, IMF, and IBRD. During the "Tokyo Round" which concluded recently within the framework of GATT, our country fought actively for elimination of all kinds of discriminations and obstacles blocking international trade, for growing liberalization of trade, preferential treatment for developing countries, and more rapid transfer of know-how from advanced countries.

The proposals contained in the message addressed by Nicolae Ceausescu to the Fifth UNCTAD Session (Manila 1979) synthesizes Romania's concept on placing international economic relations on

equitable foundations and also provides an alternative of a concrete program of action, which ought to be endorsed at the next special UN session in 1980, devoted to the new international economic order. The proposals represent a major contribution to building a new international economic order, which would permit elimination of underdevelopment, the more rapid progress of lagging countries and their free access to scientific and technological advances.

The guidelines to further expanding and upgrading Romania's participation in the international division of labor, contained in the Directives of the 12th Congress of the Romanian Communist Party, in the Report given by party secretary general Nicolae Ceausescu focus on achieving profound changes which would ensure the qualitative improvement of Romania's foreign economic relations and the greater input of foreign trade into building a multilaterally developed socialist society in this country. The Directives anticipate a 50-57.5 percent increase in Romania's foreign trade volume under the 1981-1985 Five-Year Plan versus the achievements under this five-year plan. The annual average growth rate of foreign trade, 8.5-9.5, will further show the trend of running ahead of the growth rate of overall industrial output (8-9 percent) and of the national income (6.7-7.4 percent).

The rapid expansion of Romanian exports, which are expected to increase 60-71 percent, will be specifically based on raising the marketing standard of exported items, through the ever greater involvement of all factors of exportable output, including research and design meant to introduce modern techniques and continuously renew exportable products. The Directives place special emphasis on a structural change which involves greater exports of the machine building, chemical and light industries, whose input in 1985 will amount to more than 65 percent of the total volume of export. There will be a greater rise in exports of sophisticated items in key branches such as: electronics, electrical engineering, computer technology, small-scale chemical production, and the export of other items which make best use of raw materials, energy and materialized labor.

The Documents of the Congress anticipate that under the next Five-Year Plan foreign trade will play a major role in providing the economy with basic raw materials and with facilities required under the extensive investment program. This will entail greater responsibilities for broad promotion of economic cooperation, which is meant to continuously expand in Romania's foreign economic relations not only in the area of ensuring the greater amount of raw materials needed, on a long-term and mutually advantageous basis, but also increasingly in the area of promoting some exports of machines and installations, transportation facilities, consumer goods, and so forth.

The special emphasis on promoting Romanian export, by cooperation programs and long-term contracts in terms of supply with raw materials and delivery of products is meant to significantly prevent and minimize the adverse effects of the phenomena of crisis and instability which occur in world economy.

From the lofty forum of the 12th Congress of the Romanian Communist Party, party secretary general Nicolae Ceausescu outlined the task -- which primarily devolves upon workers in the foreign trade sector -- of taking steps to better study the trends of the foreign market, marketing of our products at adequate prices and continuous upgrading of the return rates, ensuring a balanced and fair trade.

Workers in the foreign trade sector are confronted with very complex and responsible tasks. The Congress documents are a valuable guide to all the activity conducted in the area of international economy, an urge to heighten expertise and the effort to upgrade the marketing of Romanian products abroad, by a better estimation of the special foreign market conditions, in order to eliminate the intermediate links in the chain of distribution, to expand trade propaganda (including the avenue of participation in international fairs and exhibits) and to upgrade post-marketing services, facts which will help to ensure stability of goods on foreign markets and greater prestige for Romanian trademarks.

The decisions of the 12th Congress of the Romanian Communist Party -- work documents and ample projection for Romania's destiny -- guide all foreign trade activity toward significant rise in economic efficiency and the profitability of trade transactions in terms of foreign currency, setting this major task in the center of overall concerns and efforts of worker collectives, for the purpose of maximal capitalization on our material and human potential.

The set of documents adopted at the 12th Congress of the Romanian Communist Party opens up prospects for Romania's ample socioeconomic progress, outlines its greater participation in the world flow of material assets and consistently reaffirms the firm will to work for the promotion and establishment of stable and democratic relations in the world and for achievement of a new world economic order.

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ROMANIA

PROVISIONS FOR SOCIOECONOMIC DEVELOPMENT

Bucharest REVISTA ECONOMICA in Romanian No 48, 30 Nov 79 pp 5-7

[Article by Ion Tulpan, first vice chairman of the State Planning Committee]

[Text] An historical event of outstanding importance in the life of the party and of all our people, the 12th Congress of the Romanian Communist Party signifies a broad opening to the bright prospects of Romania's socioeconomic development under the next five-year plan and during the period by 1990. Throughout the Congress the proceedings had the imprint of the strong personality of Nicolae Ceausescu, eminent revolutionary and fervent patriot, who presented the picture of the historically important accomplishments of our people under this five-year plan and clearly outlined the main directions, guidelines, and tasks for the firm achievement of the great objectives incorporated in the party Program, prefiguring the progress of our country toward new peaks of civilization and growth.

The sixth five-year plan, the second plan of the historical period of building a multilaterally developed socialist society, and the supplemental program formulated by the 1977 National Party Conference, are being implemented and exceeded successfully, ensuring an ample development of the productive forces, renewing changes, and progress of outstanding importance in all socioeconomic areas, the upgrading of the living standard of all our people. The vigorous dynamism of economic development further places Romania among the countries with the highest growth rates, reflected by the rise in the national income -- the most general indicator which characterizes the results of efficient utilization of the productive potential -- 10.4 percent on an annual average, a fact which has permitted the greatest achievements in improving the material and spiritual well-being of all the people.

The attainment of the major general indicators, in comparison to the provisions in the Directives of the 11th Party Congress, is reflected in the following table.

Achievements in Romania's Socioeconomic Development During the 1976-1980 Period (%)

Realizări în dezvoltarea economică socială a României în perioada 1976-1980 — în procente —			
	1)	Dinamica în anul 1980 față de anul 1975	
	2)	Prevederi Directive — limita maximă —	3) Realizări preliminare
4) Produsul social		154	157
5) Venitul național		161	164
6) Producția globală industrială		161	168,5
7) Producția globală agricolă (medie anuală pe perioadă de 5 ani)		134	134
8) Investițiile totale în economie (pe perioadă de 5 ani) — mld. lei		960	cca 970
9) Volumul comerțului exterior		180	201
10) Productivitatea muncii în industria socialistă		112	152,5
11) Retabilitatea reală		120	130-132
12) Veniturile reale ale țărănimii provenite din muncă în C.A.P. și gospodărie personale pe o persoană activă		125	cca 130
13) Înzestrarea de marfă cu amănuntul prin comerțul socialist		145	152

Key:

1. Dynamics in 1980 versus 1975
2. Provisions Directives -- maximum level --
3. Roughly estimated achievement
4. Social product
5. National income
6. Gross industrial output
7. Gross agricultural output (annual average for 5-year period)
8. Total investments in economy (for 5-year period) -- bil-
lion lei
9. Volume of foreign trade
10. Labor productivity in socialist industry
11. Real wage
12. Real incomes of peasantry derived from work in agricultural
production cooperatives and on private farms per working person
13. Retail sales of goods through socialist trade

As it follows from the table provided, industrial output shows an average annual rate of 11 percent, which is higher than the one which was originally planned. This ensures an increase, versus the five-year plan figure, of about 100 billion lei, which is equal to Romania's entire industrial output for 1960, with industry's input into creating the national income reaching 60 per-
cent in 1980 and this sector accounting for about 35 percent in

the structure of the working population. Within the framework of industry, far more rapid growth rate occur in key technological branches such as machine building and chemical industries, which together account for 47 percent of all industrial output. Moreover, major achievements have been obtained in agriculture -- a basic Romanian economic branch -- whose overall output will increase more than 30 percent over the level for the prior five-year plan, in the context of important rises of plant output, specifically grain, and of animal production. A growth rate which is higher than that of industrial output and the national income occurs in Romania's foreign trade (more than 15 percent, a fact which tellingly illustrates the increasingly active and efficient participation of this country in the international division of labor.

An outstanding objective of the 1976-1980 Five-Year Plan involves the rise in the efficiency of production, the upgrading of the quality of all socioeconomic activity, the heightening of the responsibility of workers' collectives in wise management of the section of national assets entrusted by society. In this context, in industry, for instance, the almost 9 percent annual increase in labor productivity results in obtaining more than 80 percent of the production rise and the level of utilization of raw materials and supplies goes up 22 percent, significantly helping to cut down total operating costs by 7.3 percent and materials expenditures by 4.7 percent.

In implementing the party policy of optimally earmarking the national income the aim was to ensure the resources needed for carrying out a comprehensive investment program and upgrading the standard of living of working people. Significant in terms of the dynamism of our economy is the fact that the investment volume under this five-year plan is 970 billion lei, almost equal to that for the entire 1961-1975 period. Moreover, the improvement of the well-being of all the people -- the supreme goal of the party policy -- is amply reflected in the increase in the real wage by 30-32 percent (18-20 percent planned initially), in the 30 percent rise in the real incomes of the peasantry, in the better housing, working, and recreational conditions, the condition of health and the cultural standards of the people. The achievements obtained under this five-year plan provide a firm basis for continuing, during the 1981-1985 period, the socioeconomic growth at a rapid rate and in the context of better quality and greater efficiency.

The historically important decisions adopted by the 12th Congress prefigure the profound qualitative changes which will take place in Romania under the 1981-1985 Five-Year Plan and on a long-term basis, along the line of our country's progress in the modern context. Nicolae Ceausescu pointed out: "The basic objective of

the next five-year plan involves further implementation, on a higher level, of the party Program, rapid growth of the economy, powerful assertion of the scientific-technical revolution in all areas, transition to a new quality in the entire socioeconomic activity. This basis serves to ensure the even firmer consolidation of the socialist mode of production, the upgrading of the level of civilization of all the people, the strengthening of the material and spiritual capacity of the country, the independence and sovereignty of socialist Romania."

In compliance with the basic guidelines contained in the party Program, a tremendous development of the productive forces is anticipated. This development will produce profound changes in Romania's socioeconomic structures, the switch to new quality in all areas of activity, the continuous rise in material production and better meeting of the consumption needs of the population, the multilateral development of our socialist society.

Under the next five-year plan, economic growth will be further consistently backed by expansion of the socialist industrialization of this country, a decisive factor of superior utilization of all material and human resources available. Industry will consolidate its leading role in the economy both by the rapid growth rate planned (9-10 percent for the value of net industrial output and 8-9 percent for overall output) and by the significant rise in the input of the branches which involve technical progress -- machine building, chemical and metallurgical industries-- which ensure the efficient use of raw materials and supplies, fuels and energy and the constant increase in the technological standard of all the economic branches.

The prime objective of economic strategy in industrial growth involves stepping up the process of modern structuring, with the emphasis on priority rise of branches and subbranches characterized by advanced processing. For instance, provisions have been made for the growth rate of processing industry running ahead (9.6 percent) of that of overall industry (9 percent) and for turning out products of a high standard and based on low energy consumption levels. This course, which is characteristic of our party policy in the area of industry, is motivated by the need for maximum saving of the resources of energy and raw materials, in the overall context of the world economic situation and of the ramifications of the oil crisis.

The rapid development of all the economy necessitates the expansion and most careful management of the domestic base of raw materials and energy. Proceeding from the objective situation that the mineral resources of the country's subsoil, which were irrationally exploited in the old days, are limited, the documents of the 12th Congress give priority to expanding the

domestic base of mineral raw materials and increasing the potential of the mining sector in terms of reserves. In light of the need for rational utilization of oil and natural gas reserves, special attention will be paid to expanding lignite production (to 72-75 million tons) and of bituminous shale (to 15-16.5 million tons) in 1985.

Significant changes are expected in the production of electric energy by centering it on use of low-grade fuels, of hydraulic energy, new resources of energy and recovered resources, thereby minimizing the use of hydrocarbons. Emphasis is placed on making good use of the national hydroelectric power potential by harnessing Romanian waters for complex utilization, completion of powerful hydroelectric power plants on the Danube and inland waters, and of microhydroelectric power stations for local use, so that the degree of utilization of Romania's hydroelectric power potential may increase from about 30 percent in 1980 to 45 percent in 1985 and 65 percent in 1990. It is expected that by the year 2000 all the country's potential will be utilized. Electric energy produced on the basis of coal and shale will account for 55 percent in 1985 versus 40 percent in 1980. In ensuring energy resources, much emphasis will be placed on expanding nuclear energy. The program for building nuclear power plants provides for installation of a power of 660 MW in 1985 and 3,960 MW in 1990, a fact which at the level of that year will ensure an input of 17-18 percent of nuclear plants into the country's production of electric energy. The energy balance is conceived in the context of a rigid system of fuel and energy conservation in all sectors of activity, with the average energy consumption rate of industry, for instance, expected to decrease at least 40 percent in the next decade, based on the best possible utilization of all resources of energy and fuel which are available. The provisions in the field of energy and the entire set of projects for the development of production and conservation of resources focus on ensuring Romania's independence as to fuel and energy in the next decade, a fundamental objective outlined by the recent Congress of the party.

What changes are taking place against the backdrop of restructure and modernization of production in the branches of the processing industry? In the ferrous metallurgical industry, the 1985 steel output level of more than 20 million tons, twice as much as in 1975, will ensure about 850 kg per inhabitant. This will place our country among the countries with a developed metallurgical industry. By the end of the next five-year plan the proportion of converter steel obtained on the basis of lower energy consumption rates will be almost 60 percent and half of the rolled metal output will involve high-grade steels required for the production of sophisticated equipment, for the aeronautical industry, facilities for nuclear power plants and for other

branches. Major changes are anticipated in the machine building industry where the input of top subbranches have been expanding at rates which are far above the average growth rate for the overall branch. In this context, the provisions of the next five-year plan ensure an average annual growth rate of more than 19 percent for the electronics industry and the industry for metal-working machine-tools and more than 25 percent in the fine mechanics and optical industries and the industry for hydraulic and pneumatic equipment and components, a fact that results in an ever more modern and efficient pattern in the machine building industry. Special attention will be paid to the new production facilities which will be built so that these units may incorporate a high degree of flexibility in terms of production and rapid adaptation to the needs of domestic and foreign customers.

The chemical industry is another dynamic branch which rapidly assimilates the results of research and engineering. It will be geared for extensive and better use of the raw materials resources by diversification and profound modification of the structure, with special emphasis on increasing the production of sophisticated items, of fine synthesis and small-scale production in the chemical industry. In the context of maintaining the amounts of crude oil for processing at the 1980 level, processing will be expanded, the chemicalization degree will be significantly stepped up. For the purpose of highlighting the outstanding aspect of higher degree in processing raw materials for the economy suffice it to say that as a result of applying modern techniques in the petrochemical industry crude oil increases its initial value by a factor of 16-25 through monomers, polymers, and man-made fibers and more than 80 times in the case of processed plastics. The output of products which involve high energy consumption levels will be limited to the strictly necessary amount and the production of items that make better use of raw materials, specifically in the construction materials, woodworking, light and food industries, will be expanded.

The structuring of the processing industry toward the top technological areas will be instrumental in upgrading the utilization of basic raw materials and energy 32-34 percent for the five-year plan period. Moreover, about one-third of the increase in overall output to be obtained in 1985 versus 1980 will derive from better utilization of raw materials.

A major priority under the next five-year plan involves completing a profound revolution in the agricultural sector, designed to increase the input of this basic branch into our country's multi-lateral progress. By the end of the next five-year plan agriculture will have an irrigated area of almost 4 million hectares and the system of agricultural machines which is expected to be turned out -- on the direct instruction of the party secretary

general -- will properly and promptly ensure grain sowing and harvesting plus operations relating to vegetable, grape, and fruit-tree growing. The investment funds of 155 billion lei earmarked for agriculture, 22 billion lei more than planned in the draft Directives, will ensure the further expansion and modernization of the technical-material base in this important economic branch.

Great increases will be obtained for all vegetable products. A grain production of 27-28 million tons is anticipated for 1985. The rise in the number of animals and in livestock production will result in further increase in the input of animal husbandry's production into the total agricultural production to 46-47 percent. This will make it possible to better meet the substantiated consumption needs of all the people, the supply of industry with raw materials required, and greater amounts of exportable products characterized by better processing level.

In compliance with the requirements of overall economic development special tasks are allotted the transportation sector, which must better meet the constantly growing needs of all socioeconomic sectors. Emphasis will be placed on broad use of modern techniques (palletization and containerization of goods), provision with high-capacity facilities, doubling and electrification of tracks with heavy traffic, rise in the capacity of the sea-going and harbor fleet by provision of powerful and specialized vessels, completion of the new seaport and building of new ports on the Danube.

Under the next five-year plan, in full agreement with the basic guidelines of Romania's foreign policy, the economic relations with the other countries will be intensified and international cooperation in production and technical-scientific cooperation will be expanded. This requirement is reflected in the 8.5-9.5 percent high rate of foreign trade volume, a rate in whose context export will expand even more (9.9-11.3 percent). Industry is expected to significantly increase its input into equilibrating and consolidating the foreign trade balance, with the products of the machine building, chemical and light industries in 1985 accounting for more than 65 percent of the total export volume. For the purpose of raising the efficiency of foreign trade firm action must be taken to continuously upgrade the pattern of export, to best possibly market the Romanian products abroad, to rapidly increase the volume of items which are characterized by a high degree of processing and to eliminate the items which result in a low foreign currency intake and incorporate large amounts of energy and raw materials.

The forceful assertion of the scientific-technical revolution in all areas of activity is one of the basic orientations of the

future development of our society. The Program-Directive approved by the 12th Congress of the Romanian Communist Party specifies the work stages which will be covered in this area by the end of the year 2000, highlighting the special role assigned to research in resolving all the problems relating to the implementation of the socioeconomic development plan for the 1981-1985 period. Romanian research, which has the appropriate material base and outstanding scientists, capable of successfully resolving the major problems which are facing science, has the highly responsible duty to complete the significant tasks in this field, actively participating in ensuring the continuous progress of our socialist society.

The rapid growth rates of material production and the growing economic efficiency assure the rise in the national income at an annual average rate of 6.7-7.4 percent, a rate which runs ahead of the growth rate for the social product. The planned levels for the national income ensure conditions for the per capita level involved to reach 34,600-35,900 lei in 1985, versus about 27,000 lei in 1980 and 17,000 lei in 1975. In light of this level, Romania in 1985 will reach the status of middle-developed socialist country, covering a paramount stage in implementing the party Program for building a multilaterally developed socialist society.

The continuous economic growth is closely tied to the continuous increase in the productivity of materialized labor which under the next five-year plan will underlie about 80 percent of the rise in the national income. Directly impacted by a set of technical, economic, and social factors, the increase in labor productivity under the next five-year plan is firmly based on the provisions regarding intensive modernization in the structure of economic branches and subbranches and stepped up improvement of the technological standard in all production activity. For the overall industry, labor productivity calculated on the basis of net production will go up 40-43.5 percent in 1985 versus 1980, with significant rises also expected in the other branches of material production.

The option for high efficiency is directly tied in with further reduction of operating costs and especially of materials expenditure. It is expected that as a result of the significantly better use of the main raw materials and supplies, concurrently with the reduction of consumption rates and primarily of fuel and energy consumption rates, under the next five-year plan the costs for each 1000 lei of industrial marketable output will be cut by 7-8 percent and materials expenditure, 5.5-6 percent.

Moreover, the Directives of the 12th Congress focus on greater efficiency of fixed assets. It is expected that in 1985 industry will provide for each 1000 lei of fixed assets an overall output of 1800 lei and a net output of 600 lei.

Our party and state's constant effort aimed for the training and qualitative structuring of the work force, in the context of the new requirements generated by the tremendous surge of the scientific and technical revolution in all sectors of production activity is of paramount importance for energizing the growth rates of material production and for increasing the socially-owned wealth. On this basis the Directives incorporate new qualitative changes in the size and pattern of the human potential of this country. About 78 percent of the working people will be employed in nonagricultural sectors, specifically in industry, with a favorable impact on raising the productivity of materialized labor. According to calculations, almost a quarter of the increase anticipated in the productivity of materialized labor will be based on the promotion of these changes.

The socioeconomic goals and tasks planned for the 1981-1985 period are based on the correct policy of earmarking the national income for development and consumption, for the purpose of continuously strengthening the country's economic potential and permanently improving the people's standard of living. For the entire five-year plan, about 30 percent of the national income assigned was appropriated for the national fund for socioeconomic development and the completion of an investment program valued at 1300-1350 billion lei, 20 times the level for the 1951-1955 period, was ensured. On this basis, the next five-year plan will see the completion of 1200 new major industrial facilities and 375 agricultural facilities. Moreover, the fixed assets, which are basic components of our national wealth, will in 1985 stand at about 3000 billion lei, about 60 percent larger than at the end of 1980.

The investment program will underlie the rational development of the productive forces on the territory of this country and the acceleration of the socioeconomic progress of all counties and localities. In this respect the Program-Directive for Romania's socioeconomic territorial development anticipates that by 1985 each county will have an overall output of at least 70,000 lei per capita and a level of employment of the work force of at least 400 persons for every 1000 inhabitants.

In the party strategy for optimal appropriation of the national income, special emphasis is placed on assignment of greater resources to the fund for consumption, which permit greater material and spiritual well-being of all our people. Under the next five-year plan, there will be a further increase in the incomes of all categories of the population, with the incomes from payment for work accounting for the preponderant part. The real wage will increase 16-18 percent and the real incomes of the peasantry from work on the agricultural production cooperatives

and in private farms, for each working person, 20-25 percent. This will result in a more balanced relation between the incomes of working people in towns and in villages. There will be a rise in all categories of pensions and new measures will be put into effect to assist large families. Furthermore, the population will avail themselves of large sums which are appropriated from sociocultural expenditures under the state budget, from funds for social programs of enterprises and from the own funds of cooperative and mass organizations, whose level in 1985 will be 37 percent higher than that in 1980, with 14,200 lei for each family. To this end, during the 1981-1985 period, about 440 billion lei will be earmarked from the state budget for sociocultural programs, an amount which is close to the expenditure during the 1971-1980 decade.

Structural changes will take place in the area of utilization of the incomes of the population. Commodity sales will go up at an average annual rate of 6.4 percent and services, 9.1 percent.

The volume of goods for the population in 1985 will reach a level equal to that for the entire 1961-1965 Five-Year Plan. For some food items, as early as the end of this five-year plan, in terms of calories, the meeting of the scientifically substantiated needs will be ensured and during the 1981-1985 period this level will be consolidated and emphasis will be placed on upgrading of the structure and improvement of output quality. As far as nonfood products are concerned, the product pattern will be broadened and finishing and quality will be constantly upgraded. The next five-year plan will see greater purchasing of durables. For every 1000 inhabitants there will be 300 radios in 1985 (247 in 1980), 245 television sets (203 in 1980), 220 refrigerators (157 in 1980), 153 washing machines (100 in 1980), and 57 automobiles (28 in 1980). An essential factor of higher material standards for the population, with a profound impact on all the style of life, involves the dwelling and its level of comfort. The next five-year plan will see the construction of 1.1 million apartments.

Party secretary general Nicolae Ceausescu stated: "The implementation of the provisions under the new five-year plan will accelerate the country's development in the area of the technico-material base and in the area of social organization, ensuring the growth of the per capita national income, the upgrading of the living standards of the masses, the rise in the standards of education, science and culture, in the overall level of civilization of all our people."

The provisions of the next five-year plan and the guidelines endorsed by the 12th Congress open up a great prospect for the development of our country, for the obtaining of great successes along the road to building a multilaterally developed socialist society and Romania's advance toward communism.

DECREE ON ORGANIZATION OF STATE, COUNTY AGRICULTURAL BODIES

Bucharest BULETINUL OFICIAL in Romanian Part I No 9-10, 1 Feb 80 pp 1-9

[State Council Decree on the Organization of the County and Bucharest Municipal General Directorates for Agriculture and the Food Industry and of the State and Cooperative United Agroindustrial Councils/

[Text] The State Council of the Socialist Republic of Romania decrees:

Chapter I

The General Directorate for Agriculture and the Food Industry

Section 1

General Provisions

Article 1. For the unitary management of all agriculture and the activity of industrialization of produce, the general directorates for agriculture and the food industry, specialised local bodies of the state administration, subordinate to the executive committees of the county people's councils and that of the municipality of Bucharest and to the Ministry of Agriculture and the Food Industry, are organized within the counties and the municipality of Bucharest.

Article 2. The general directorate for agriculture and the food industry has a legal personality and is a plan titular for the tasks that devolve upon agriculture, the food industry, other industrial activities, and transportation in the subordinate units within the county.

The general directorate is responsible both to the Ministry of Agriculture and the Food Industry and to the executive committee of the county or Bucharest municipal people's council for the fulfillment of the plan to all indicators.

Article 3. The general directorate receives the plan indicators from the Ministry of Agriculture and the Food Industry and allots them to each agricultural unit with headquarters on the county's territory.

For the activity of the directly subordinate units of local interest mentioned in Article 12, Point I, letters b-e, the general directorate receives the plan targets from the executive committee of the county or Bucharest municipal people's council.

Article 4. With a view to the fulfillment of the duties that devolve upon it regarding the development of production in the cooperative sector of agriculture and the economic and organizational strengthening of the cooperative units and in the coordination and management of the state and cooperative united agroindustrial councils, the general directorate for agriculture and the food industry collaborates with the county union of agricultural production cooperatives.

Section 2

The Duties of the General Directorate for Agriculture and the Food Industry

Article 5. The general directorate for agriculture and the food industry performs directly or through the trusts in its structure the following main duties:

A. Duties Regarding Agriculture

- a) It is responsible for the complete achievement of the vegetable and animal agricultural production provided in the sole national plan for economic and social development by all possessors of farmland in the range of the county;
- b) It is responsible, in accordance with the law, for the protection, conservation, amelioration and complete, rational and efficient use of land by the component units of the state and cooperative united agroindustrial council, the other socialist units possessing farmland, the farms of cooperative members and the individual farms;
- c) It is responsible for the identification of all areas of land, for the strict respecting of the law in the case of the removal of land from agricultural production and for the return of land temporarily removed from agricultural production to the agricultural circuit on the established dates;
- d) It prepares the projects and programs for land and general cadastres, performs the work of introducing and maintaining them and carries out the related topographic work as well as projects for systematizing and organizing the territory;
- e) It coordinates and is responsible for the preparation and application of the land improvement programs in its jurisdiction and for the utilization of the entire productive potential of farmland, regardless of possessor;
- f) It oversees the way in which the agricultural units and those for maintenance and exploitation of land improvement facilities provide for the

rational exploitation of the areas set up for irrigation, the respecting of the crop structure, and the performance of maintenance work. It takes steps for, oversees and is responsible for the total cultivation of arable land and the use, according to purpose, of other land;

g) It oversees and is responsible, in accordance with the law, for the good organization and complete use of meadows on the county's territory and for the amelioration and rational management of them, regardless of in whose possession the meadow is;

h) It organizes, oversees and is responsible for the achievement of the plan targets in the production of cereals, legumes, technical and fodder plants, vegetables, potatoes, fruits, grapes, meat, milk, eggs, wool and other vegetable and animal produce for all possessors of farmland and livestock in the county. It helps the state and cooperative united agroindustrial councils to prepare and apply the operational plans for organizing and carrying out the agricultural campaigns;

i) It organizes and performs the supervision regarding the sowing of all areas of land according to the established crop rotations and takes steps so that they are performed in the optimum periods and in strict compliance with the crop structure approved by means of the plan and established for each possessor. It oversees the way in which the agricultural units perform the work of maintenance of crops, vineyards and fruit tree orchards, at the proper time and under the conditions provided by the technologies established for each particular crop. It takes steps to provide the necessary chemical and organic fertilizers and the supply of seeds and planting stock from valuable varieties;

j) It issues, in accordance with the law, the documents that attest to the biological and cultivation value of seeds and planting stock, for domestic and export needs. It oversees the respecting of production technologies as well as the conditioning, transportation, storage, marketing and use of seeds and planting stock in the production process;

k) Through the specialized organizations, it takes steps regarding the preparation of forecasts of attacks of diseases and pests for field crops, vegetables, fruit trees and vines and the prompt informing of the possessors of farmland in due time about the dates on and conditions under which the treatments must be performed. It organizes, oversees and is responsible for the application of plant-protection measures;

l) It organizes and is responsible for the mechanical power activity and the full and rational utilization of the tractors, machinery and equipment with which the units in agriculture are equipped, pursuing the continual raising of the degree of mechanization of agricultural and zootechnical production, the respecting of the approved consumption quotas, and the economization of liquid fuels, lubricants, spare parts and supplies for maintenance;

m) It oversees and provides for the preparation and application of the programs of technical, organizational and economic measures, with a view to the fulfillment and overfulfillment of the plan targets for all crops by the state agricultural enterprises, the agricultural production cooperatives and the other agricultural units;

n) It is responsible for the achievement of the production earmarked for exportation, at the level of the qualitative requirements of the foreign market, by all state and cooperative agricultural units in the range of the county;

o) It oversees and is responsible for the fulfillment of the plan regarding the increasing of the animal populations and the auxiliary production by the socialist units and in the sector of the population's farms, as well as the way in which the socialist agricultural units carry out the program for reproduction and selection of animals. It helps and guides the population's farms by means of measures, programs and actions for developing the raising of animals, poultry, silkworms and bees and pursues and is responsible for their implementation;

p) It oversees and is responsible for the utilization of the entire fodder potential and for the rational feeding and the maintenance of animals in accordance with the approved technologies and the standards of zoohygiene;

r) It organizes, oversees and is responsible for the application of the legal norms on the protection of the health of animals and the combating of diseases and epizootics and provides veterinary health assistance in all socialist agricultural units and for all possessors of animals. It oversees the application of the measures for hygiene of foods of animal origin and those for the butchering of animals and the operation of the butchering points and slaughterhouses;

s) It pursues and is responsible for the achievement, by all state and cooperative units, of the deliveries to the state supply of the quantities of vegetable and animal products provided in the plan. It oversees the way in which the units for utilization and purchases of produce perform their activity;

g) Together with the county union of agricultural production cooperatives, it facilitates the establishment of intercooperative associations and the actions of association of the state units with the agricultural production cooperatives. It gives advice on the technical and economic studies and the drafts of the documents of establishment;

t) It initiates and facilitates the establishment of viticultural, pomicultural and animal husbandry associations in localities without cooperatives and guides their activity;

†) It periodically analyzes in the state and cooperative united agroindustrial councils, together with the county union of agricultural production

cooperatives and the branch of the Bank for Agriculture and the Food Industry, the stage of plan fulfillment and the economic and financial situation of the cooperative agricultural units, establishes the corresponding measures and pursues their implementation;

u) It organizes, guides and is responsible for the development of the activities of industrial production, construction, services and utilization of produce in the agricultural units within the state and cooperative united agroindustrial councils;

v) It oversees and is responsible for the way in which the engineers in an agricultural specialty, the veterinarians, the chief accountants and the other technical and economic personnel perform the tasks that are entrusted to them in the state and cooperative united agroindustrial councils and in the cooperative units.

B. Duties Regarding the Industrialization of Produce

a) It provides for the development of production in the food industry units and in the other units for industrialization and processing of produce, the diversification and improvement of the quality of this production, and the development of the activity of industrialization of produce within the state and cooperative united agroindustrial councils;

b) It organizes and provides for the matter of contracting for and taking into the state supply, in conformity with the plan targets, the vegetable and animal agricultural raw materials, the respecting of the price and rate system, and the correlation of the activity of the industrialization units with that of the agricultural units that furnish raw materials;

c) It is responsible for the complete fulfillment of the export targets, in the assortment structure and at the qualitative parameters required on the foreign market, by the produce-utilization units in the range of the county;

d) It pursues and is responsible for the better utilization of agricultural raw materials, the rational and full use of production capacities and the introduction of advanced methods of organization of production and labor, with a view to increasing the labor productivity and reducing the consumption of supplies and energy and the costs per unit of product;

e) It organizes, guides and oversees the activity of identifying, recovering, managing and utilizing all reusable material resources resulting from the subordinate units.

C. Other Duties

a) It prepares studies and programs regarding the proportions, levels, rates and ways of development of production in the future in the field of agriculture and the food industry within the county;

b) It provides for the preparation of the plan proposals in territorial form for agriculture and the food industry, pursuing the respecting of the approved plan quotas and levels, the establishment of sensible proportions between branches and sectors and the maximally efficient utilization of the land and the material and human resources existing in the units. It assists the state and cooperative united agroindustrial councils and their component units in dimensioning and substantiating the plan proposals;

c) It allots to the state and cooperative united agroindustrial councils, to each cooperative agricultural unit, to the other subordinate units and for the sector of the population's farms the plan indicators regarding the areas for the main crops, the animal populations, the deliveries to the state supply, the production indicators and the other plan indicators, in correlation with the material base, the soil and climatic conditions, the work force and other specific local factors. It oversees directly and through the trusts in its structure the fulfillment of the plan indicators allotted to the county as a whole, to sectors and to each agricultural unit in the range of the county;

d) It takes steps regarding the management of material and monetary resources with maximum efficiency, the providing of a strict policy of economy and the strengthening of plan discipline in all subordinate units. It pursues and is responsible for the preparation and execution of the income and expense budgets regarding the actions in the agrozooveterinary units financed from the budgets of the communes, cities and municipalities, of the state and cooperative united agroindustrial councils and of the other directly subordinate units, for the utilization of the funds approved under the conditions established by means of the legal provisions and for the matter of collecting and paying to the budget the funds due the state. It pursues and is responsible for the preparation and implementation of the provisions in the income and expense budget of each agricultural production cooperative and intercooperative economic association. It organizes and guides the bookkeeping in the units and takes steps to strengthen the responsibility, order and discipline in managing the material and monetary resources in each cooperative agricultural unit and to provide a continual balance between incomes and expenses;

e) It organizes, coordinates and guides the investment activity in all subordinate units. Within the limit of its jurisdiction, it approves the documentation for the investment projects in the cooperative sector of agriculture and of the subordinate units and is responsible for the achievement and commissioning of the facilities on schedule;

f) It follows the results of scientific research and concerns itself with the utilization of them in production. It is responsible for the introduction of scientific and technical progress into the state and cooperative production units. It provides and is responsible for the uniform application of the standards, norms and technologies devised by the Ministry of Agriculture and the Food Industry and the Academy of Agricultural and Silvicultural Sciences in all subordinate units;

- g) It is responsible for the improvement of the organization of production and labor and for the application of the legal provisions in the field of pay. It organizes the continual supervision of the manner of application of the elements of the pay system in the state and cooperative units. It pursues and is responsible for the application of the uniform structural standards and the work quotas and rates for all categories of worker personnel and oversees their manner of application;
- h) It exercises the legal powers regarding the planning, training and improvement of the worker personnel in its own apparatus and in the subordinate units;
- i) It appoints to and dismisses from posts the operational personnel, the office chiefs and the department heads in its own apparatus and approves the appointment to and dismissal from posts of the leaders in the subordinate units. It appoints to and dismisses from posts the chief engineers, chief economists and chief veterinarians on the united agroindustrial councils, with the advice of the county union of agricultural production cooperatives. It appoints to and dismisses from posts the agricultural experts and chief accountants in the agricultural production cooperatives and the veterinary health districts, with the agreement of the executive bureau of the state and cooperative united agroindustrial council. It gives advice on the appointment to posts of the experts with higher education in its field. It recruits the chief accountants for the agricultural production cooperatives and in the intercooperative economic associations, with the agreement of the branch of the Bank for Agriculture and the Food Industry;
- j) It approves, in accordance with the law, the transfer of the engineers in an agricultural specialty and the veterinarians from one county to another, from one sector of agriculture to another or to a branch other than agriculture, with the advice of the Ministry of Agriculture and the Food Industry. It approves the cancellation of the work contracts of the personnel with higher education, with the agreement of the Ministry of Agriculture and the Food Industry;
- l) It takes steps, in accordance with the law, regarding labor protection, with a view to providing the best working conditions and preventing work accidents and occupational illnesses, in the units subordinate to it. It organizes and is responsible for fire prevention and extinguishing in the cooperative and directly subordinate units.

Section 3 Organization and Operation

Article 6. The general directorate for agriculture and the food industry is run by a leadership council, a collective leadership body, composed of 21-51 members, which discusses and adopts unitary measures, on the main problems regarding agriculture and the food industry, for all specialized units within the county and within the municipality of Bucharest.

To the leadership council belong: the director general, the deputy director general, the trust directors, the directors, the chief veterinary inspector and the chief accountant in the general directorate for agriculture and the food industry, the chairmen of the leadership councils or the executive bureaus of the state and cooperative united agroindustrial councils, a vice chairman of the county union of agricultural production cooperatives, some chairmen of the working people's councils or the executive bureaus in the subordinate units, some chairmen of the agricultural production cooperatives, designated by the county union of agricultural production cooperatives, 3-10 experts from the general directorate for agriculture and the food industry and the educational, research, financial-banking and other units on the county's territory, 6-15 representatives of the working people--workers, cooperative members, foremen and crew members--who work directly in production, and a member of the county commission of agricultural producers in localities without cooperatives, a peasant with an individual farm.

In addition, the secretary of the party organization in the general directorate for agricultural and the food industry, a representative of the trade unions in the state agricultural and food-industry units, designated by the county council of trade unions, with the agreement of the branch union of trade unions, and the chairman of the county council for problems of village youth belong to the leadership council.

The chairman of the leadership council of the general directorate for agriculture and the food industry is the director general.

Article 7. The collective leadership of the operational activity of the general directorate for agriculture and the food industry and the implementation of the decisions of the leadership council are achieved through its executive bureau.

To the executive bureau of the leadership council belong: the director general and the deputy director general, the trust directors, the directors, the chief veterinary inspector and the chief accountant in the general directorate for agriculture and the food industry, the secretary of the party organization in the general directorate for agriculture and the food industry, and the representative of the trade unions in the state agricultural and food-industry units.

A chairman of the executive bureau of the leadership council is the director general of the general directorate for agriculture and the food industry.

Article 8. The composition of the leadership council and its executive bureau is approved by the executive committee of the county or Bucharest municipal people's council, with the advice of the Ministry of Agriculture and the Food Industry.

Article 9. The following specialized councils, consultative bodies, which analyze and prepare proposals regarding the development of production in the corresponding specialized fields, operate within the leadership council of the general directorate for agriculture and the food industry:

- a) The council for cereals and technical plants;
- b) The council for horticulture;
- c) The council for land resources and land improvements;
- d) The zooveterinary council;
- e) The council for mechanization.

Article 10. The duties of the leadership council of the general directorate for agriculture and the food industry, its executive bureau and the trusts and departments within the general directorate, and the composition, duties and mode of operation of the specialized councils are established by means of the regulation for organization and operation of the general directorate for agriculture and the food industry, drawn up by the Ministry of Agriculture and the Food Industry and approved by the Legislative Chamber of the People's Councils.

Article 11. The structural standards for the general directorate for agriculture and the food industry and the maximum number of technical, economic, other specialized, and administrative personnel are provided in appendices 1 and 2.*

Article 12. The general directorate for agriculture and the food industry has the following units subordinate to it:

A. Directly subordinate units:

I. Units of local interest:

- a) The state administrative united agroindustrial councils;
- b) The office for pedological and agrochemical studies;
- c) The inspectorate for plant protection;
- d) The office for reproduction and selection of animals;
- e) The enterprise for improvement and exploitation of meadows.

II. Units of national interest subordinate directly or through the trusts within the general directorate, in accordance with Appendix 3.

* The appendices are communicated to the institutions involved.

B. Units of national interest, subordinate also to the Ministry of Agriculture and the Food Industry and its departments, economic general directorates, centrals or trusts, mentioned in Appendix 4.

The units in the structure of the state and cooperative united agroindustrial council and the units of national interest mentioned in Paragraph 1, Letter A, Point II, and Letter B are organized in accordance with the specific structural standards approved for the respective fields of activity, and those in Letter A, Point I, in accordance with the provisions in Appendix 1.

Chapter II The State and Cooperative United Agroindustrial Council

Section 1 General Provisions

Article 13. The state and cooperative united agroindustrial council is the territorial body through which the general directorate for agriculture and the food industry:

- a) Provides for the unitary and operational coordination of the agricultural and produce-utilization activity in the council's component units;
- b) Implements the measures for concentrating the production and specializing the units and their farms and carries out joint actions for fully using the land resources, material and financial resources and work force in the component units;
- c) Helps the component agricultural units to sensibly zone the crops on the council's territory in crop rotations, to zone the development of the species of animals and to rationally place the investment facilities for all agricultural and food-industry units;
- d) Concerns itself with organizing the economic production associations and the activities of cooperation in production, for increasing the production and improving their economic efficiency;
- e) Implements the measures for economic consolidation of each unit in the council's range of activity.

Article 14. The state and cooperative united agroindustrial council is a titular of the plan, which it receives from the general directorate for agriculture and the food industry.

The council operates on the principle of the budgetary units and has an expense budget of its own, allocated from the budget of the general directorate for agriculture and the food industry.

The united council has the same headquarters as the agricultural mechanization station in its structure.

Article 15. The state and cooperative united agroindustrial council presents to the general directorate for agriculture and the food industry proposals for allotting the plan targets to the units in its structure, taking into account the placement of the crops on fields, in the respective year, in accordance with the established crop rotation, the production potential and the differences in production that result from the concrete placement of the crops of each agricultural unit. In preparing the proposals for allotting the plan targets, the council takes into account the provisions of the combined plan for chemicalization and irrigation and the actions of cooperation and association that are achieved within its framework.

Article 16. The council coordinates and oversees the performance of the tasks and the fulfillment of the plan indicators relating to the state and cooperative agricultural units in its range of activity, it being responsible to the general directorate for the fulfillment of the plan, the complete delivery of the products in accordance with the established purposes, and the other activities of the units in its structure.

Section 2 Organization

Article 17. The state and cooperative united agroindustrial council has in its structure the following units that have headquarters on its territory:

- a) The agricultural mechanization stations;
- b) The agricultural production cooperatives;
- c) The intercooperative economic associations and the associations between cooperative units and state or consumer-cooperative units;
- d) The state agricultural enterprises and the hothouse enterprises;
- e) Farms of the state agricultural units and of the units that have their headquarters in the range of other councils, including the piscicultural and sericultural ones;
- f) The state enterprises for the raising and fattening of hogs;
- g) The institutes, central stations and stations for research and agricultural production or farms of theirs;
- h) The agroindustrial secondary schools and the experimental teaching station;
- i) The plant protection center or formations;

- j) The veterinary health districts and the center for reproduction and selection of animals or the artificial insemination points;
- k) The units with an agricultural specialty subordinate to other ministries and central bodies.

Article 18. Combined activities in the agricultural, industrial and service fields, with retention of the right of possession, are organized, by means of association or cooperation, within the state and cooperative united agroindustrial council.

Article 19. The chief engineer, the chief veterinarian, the chief economist, the personnel in the centers for reproduction and selection of animals that perform the work of artificial insemination in the range of the council, and the workers with tasks of guidance of specialized agricultural production, assigned to the council, perform their permanent activity within the state and cooperative united agroindustrial council.

Article 20. The bodies through which the collective leadership of the state and cooperative united agroindustrial council is exercised are: the general assembly, the leadership council and the executive bureau.

Article 21. The general assembly of the state and cooperative united agroindustrial council is composed of the members of the collective leadership bodies of the component units, the personnel with permanent activity on the council, the chairmen of the executive bureaus of the communal and city people's councils in the range of the united council, and representatives of the state and consumer-cooperative units participating in the economic activities of cooperation and association.

Article 22. The leadership council is composed of 31-43 members. To the leadership council belong: the chairman, the chief engineer, the chief veterinarian and the chief economist of the united agroindustrial council, the director, the chief engineer and the chief accountant of the agricultural mechanization station, the chairmen, the chief engineers and the chief accountants of the agricultural production cooperatives, the director, the chief engineer and the chief accountant of the state agricultural enterprise, managers and economic officials on the farms of the enterprises with headquarters in the range of other councils, the directors and the chief accountants of the intercooperative economic associations and the associations between cooperatives and state or consumer-cooperative units, the director of the institute, central station or station for research and agricultural production, the chairmen of the executive bureaus of the communal and city people's councils in the range of the council, members of the agricultural production cooperatives, and top workers in the production sectors of the agricultural units who belong to their leadership councils.

Article 23. The executive bureau is composed of 13-17 members and consists of: the director of the agricultural mechanization station, the

chairmen of the agricultural production cooperatives, the directors of the intercooperative economic associations and those between the agricultural cooperatives and state and consumer-cooperative units, the director of the state agricultural enterprise or the manager of the farm in the range of the council, the director of the research station, the chief engineer, the chief veterinarian and the chief economist within the council, and other leadership personnel in the component units of the council. The chairman of the respective united council also participates in the sessions of the executive bureau.

Article 24. A chairman of the state and cooperative united agroindustrial council and its leadership council is a party and state activist.

The chairman of the state and cooperative united agroindustrial council is responsible to the county party committee for the entire political and organizational activity of the council.

The chairman of the council is responsible to the county party committee, the executive committee of the county people's council, and the general directorate for agriculture and the food industry for the achievement of production, the full and efficient use of land, all material resources and the work force, the application of modern technologies, the proper use of experts, the good management of material and financial resources, and the delivery of products to the state supply.

The chairman of the council provides for the fulfillment of all duties of the united council, in strict compliance with the legal provisions and the statutory provisions.

Article 25. The director of the agricultural mechanization station also holds the position of first vice chairman of the leadership council and chairman of the executive bureau of the leadership council of the state and cooperative united agroindustrial council.

The first vice chairman of the state and cooperative united agroindustrial council is responsible for the efficient use of the mechanical and technical resources in the component units, for the performance of agricultural work at the proper time and with high quality, for the production obtained as a result of performing the agricultural work, for the activity of transportation, for the execution of earthwork with heavy equipment, and for the activity of carrying out investments.

Together with the chairman of the council and the other members of the council, he is responsible for the proper use of experts. He provides for the proper functioning of the activity of the executive bureau of the leadership council of the state and cooperative united agroindustrial council.

The chief engineer of the state and cooperative united agroindustrial council is responsible for the attainment of the plan targets for all

agricultural production in all component agricultural units of the council. He guides, oversees and is responsible for the performance of all agricultural work on schedule, with the respecting of the placement of the crops on fields in rotation and the application of the established technologies, for the activity of chemicalization and of application of the crop-irrigation program, and for the proper utilization of land and material resources.

The chief veterinarian of the state and cooperative united agroindustrial council is responsible for the performance of all veterinary health activities, the ensuring of the state of health of the animals, the prevention and combating of epizootics, the reduction of losses through mortality, the respecting of the legal norms regarding the slaughtering of animals and the achievement of the specified populations.

The chief economist of the state and cooperative united agroindustrial council is responsible for the attainment of the plan targets in the economic and financial field and for the strict respecting of the legal provisions regarding the sensible management of material and monetary resources, under the conditions of providing higher efficiency and financial equilibrium.

Section 3 Other Provisions

Article 26. Through the creation, in accordance with the legal norms, of production capacities dimensioned in correspondence with the consumption needs in the zones, activities of industrialization and semi-industrialization of produce, of milling and breadmaking, and of production of combined fodder and other activities of processing and utilization of produce are organized, on the basis of the plan, within the component state and cooperative agricultural units of the united council.

The activity of construction, for achieving facilities in the investment plan of the units on the council's territory, and service activities are organized within the united council or the component units. In addition, the activity of mechanization, chemicalization, and production and supplying of seeds for its own units' needs and of exploitation of land improvement facilities is organized in a unitary manner within the united council.

The activities mentioned in this article are organized in accordance with the law, on the basis of the structural standards specific to each branch or field of activity.

Article 27. The component agricultural units of the united council preserve their administrative autonomy, have income and expense budgets of their own and are plan titulars for the tasks that devolve upon them from the sole national plan for economic and social development and from the state budget, for performing which each particular one is responsible.

Article 28. The council provides for the payment of the following rights from the state budget:

a) The pay rights due the experts in the agricultural production cooperatives, the personnel in the centers for reproduction and selection of animals that perform work of artificial insemination and the personnel with permanent activity on the council, with the exception of the personnel with tasks of guidance of agricultural production who are mentioned in Article 19;

b) The compensation that is given to the cooperative members who are not paid by the state and who hold the positions of chairmen, vice chairmen removed from production, farm managers and crew chiefs in the agricultural production cooperatives.

Article 29. The financial activity of the state and cooperative united agroindustrial council is performed through the functional apparatus of the agricultural mechanization station in the structure of the council.

Article 30. The agricultural mechanization station performs the function of sole body for mechanization and power, for maintenance and current repairs and for chemicalization for all units within the united council. These activities are taken over, together with the related material base, personnel and plan indicators, from the component state agricultural units of the united council.

The mechanization activity performed in the state and cooperative agricultural units is organized according to work sections and formations, in conformity with the uniform structural standards approved for the activity of mechanization of agriculture by means of Decree No 162/1973.

The grades of organization to which the newly founded mechanization sections are assigned are provided in Appendix 5.*

Article 31. The activity of the mechanical sector within the state agricultural units, with the exception of the state enterprises for the raising and fattening of hogs, of the state poultry enterprises, of the state and cooperative economic associations and enterprises for hothouses, as well as of the state agricultural enterprises that have complexes for cattle and sheep for fattening or complexes or at least three farms for milk cows or winemaking stations listed by the Ministry of Agriculture and the Food Industry, passes, together with the related material base and personnel, to the agricultural mechanization station in the structure of the state and cooperative united agroindustrial council on whose territory the state agricultural unit has its headquarters.

Article 32. The model organizational structure of the agricultural mechanization stations is supplemented with a sector for chemicalization and a

* The appendix is communicated to the institutions involved.

sector for maintenance and current repairs that are organized on the basis of the structural standards approved for the production sections in the machine building industry and the chemical industry.

The replacement of the position of production sector chief with the position of chief engineer at the agricultural mechanization stations and with the position of technical and production deputy director at those assigned to the special grade of organization is approved.

The model organizational structure of the agricultural mechanization station is that provided in Appendix 6.*

The sector for maintenance and repairs within the agricultural mechanization station is staffed with personnel in accordance with the table approved for the mechanical sector by means of State Council Decree No 400/1977. The sector for chemicalization is staffed with personnel in accordance with the table provided in Appendix 7,* as well as in group IV of branches.

The appendix to Article 2, Paragraph 2, and Article 20, Paragraph 3--"The Activity of Mechanization of Agriculture"--in Decree No 162/1973 is supplemented in accordance with the provisions of articles 30, 31 and 32 of the present decree.

Article 33. The duties and the mode of operation of the state and cooperative united agroindustrial council are established by means of a statute approved by means of a decree of the State Council.

Chapter III

Some Measures Regarding the Organization and Operation of Units

Article 34. On the date of the present decree, the trusts of the agricultural mechanization stations change their name to "trusts for agricultural mechanization, irrigation, transportation and production of equipment for agriculture and the food industry" and supplement their object of activity with the activities of chemicalization, exploitation of land improvement facilities, production of equipment for agriculture and the food industry and automotive transportation.

The model organizational structure of the trusts for agricultural mechanization, irrigation, transportation and production of equipment for agriculture and the food industry is that provided in Appendix 8.*

The trusts have subordinate to them: agricultural mechanization stations, the enterprise for exploitation of land improvement facilities, the enterprise for specialized transportation for agriculture and the food industry, the machine enterprise for agriculture and the food industry, and centers for capital repairs, fabrications, installation and service.

* The appendix is communicated to the institutions involved.

The trusts, together with the specialized departments and the other trusts within the general directorate for agriculture and the food industry, establish the mandatory technologies according to activities and the technical and economic indicators that result from them and, accordingly, the providing of the mechanical resources needed by the stations and sections for mechanization.

Article 35. The centers for capital repairs, fabrications, installation and service subordinate to the trusts for agricultural mechanization, irrigation, transportation and production of equipment for agriculture and the food industry are organized on the basis of the structural standards approved for the similar production sections and shops in the machine building branch, in accordance with the provisions of Decree No 162/1973. The standard work formation consists of at least 10 persons.

The centers are organized through the takeover and with the retention of the grade of organization of the specialized centers and shops within the agricultural mechanization stations and the activity of capital repairs on tractors, agricultural machinery and equipment within the state agricultural units.

Article 36. The enterprises for exploitation of land improvement facilities subordinate to the trusts for agricultural mechanization, irrigation, transportation and production of equipment for agriculture and the food industry organize, in the range of each state and cooperative united agroindustrial council, sectors for hydroameliorative exploitation, within the framework of the hydroameliorative systems, for the maintenance and exploitation of land improvement facilities and the application of watering on irrigated land in the range of the council.

Article 37. The sector for hydroameliorative exploitation is organized at a formation or shop level. Depending on the complexity of the work, the sector organized at a formation level can be run by a technician, subengineer or engineer.

The sectors organized at a shop level can be formed if they have in their structure at least four work formations of their own, set up, in accordance with the law, within the framework of the hydroameliorative systems organized at a section level.

The sectors for hydroameliorative exploitation are subordinate both to the hydroameliorative system and to the state and cooperative united agroindustrial council on whose territory they are organized.

The hydroameliorative system located on the territory of another county than that where the enterprise for exploitation of land improvement facilities is located is also responsible for the exploitation and maintenance of land improvement facilities and the application of watering to the trust for agricultural mechanization, irrigation, transportation and production

of equipment for agriculture and the food industry in whose territorial range the hydromellorative system is located.

The appendix to Article 2, Paragraph 2, and Article 20, Paragraph 3--"The Activity of Exploitation of Land Improvement Facilities"--in Decree No 162/1973 is supplemented in accordance with the provisions of articles 36 and 37 of the present decree.

Article 38. The enterprises for exploitation of land improvement facilities perform the duties of recipient of investments for the land improvement facilities established for the investment-supervision groups within the Ministry of Agriculture and the Food Industry, which cease their activity, and for the land improvement facilities from the offices for land improvement, design and construction in agriculture. The plan indicators corresponding to the activity of recipient of investments, approved for 1980, and the related personnel are taken over by the enterprises for exploitation of land improvement facilities from the Economic General Directorate for Land Improvement and Construction in Agriculture and from the offices for land improvement, design and construction in agriculture.

The enterprises for exploitation of land improvement facilities are also responsible for the activity of recipient of investments for land improvement facilities to the Economic General Directorate for Land Improvement and Construction in Agriculture within the Ministry of Agriculture and the Food Industry.

Article 39. The investment activity at the enterprises for exploitation of land improvement facilities is organized on the basis of the structural standards approved by means of State Council Decree No 135/1977, within the limit of the number of personnel and the pay fund, approved for 1980, for the Economic General Directorate for Land Improvement and Construction in Agriculture within the Ministry of Agriculture and the Food Industry.

Article 40. The organizational structure of the research and production stations is supplemented with "the department for the activity of development of specialized production."

Article 41. On the date of the present decree, the trusts for horticulture mentioned in Appendix 9, having as an object of activity the unitary management and guidance of all horticulture and the production, utilization and industrialization of vegetables, fruits and grapes within the counties and, respectively, the municipality of Bucharest, are founded within general directorates for agriculture and the food industry.

Article 42. The trusts for horticulture are assigned to the grades of organization provided in Appendix 9, group IV of branches.

Article 43. The trusts of state agricultural enterprises, the trusts for horticulture and the trusts for agricultural mechanization, irrigation,

transportation and protection of equipment for agriculture and the food industry cover their expenses through the drawing of shares of participation from the subordinate units, which are approved by the leadership council of the general directorate for agriculture and the food industry.

Article 44. In the counties in which trusts of state agricultural enterprises or trusts for horticulture are not organized, one of the specialized enterprises, listed by the Ministry of Agriculture and the Food Industry, can also perform, through its own apparatus, the duties that devolve upon the trust, with the enterprise's director belonging to the collective leadership body of the general directorate for agriculture and the food industry.

Article 45. The following activities are eliminated from the organizational structure of the state agricultural enterprises and the trusts of state agricultural enterprises: chemicalization, the exploitation of hydroameliorative systems, the organization and records of land resources, and the position of chief engineer for construction and hydroamelioration, there being amended accordingly Point 4 and the model organizational structure in the appendix to Article 2, Paragraph 2, and Article 20, Paragraph 3--"The Department of State Agriculture"--in Decree No 162/1973 and Decree No 65/1979.

Article 46. The number of personnel and the pay fund approved for 1960 for the county people's councils for the activity of advising, documentation, preparation and supervision of investments, technological equipment, and electrical equipment for automation for land improvement facilities are transferred to the enterprises for exploitation of land improvement facilities.

Article 47. Appendix 1 to State Council Decree No 145/1974 on the Approval of the Structural Standards for the Units in Cooperative Agriculture, with the later amendments, is amended in Point 4 and is supplemented with Point 10, as follows:

"4. At the agricultural production cooperatives organized in at least two villages, a vice chairman removed from production can also be appointed.

"At the agricultural production cooperatives that have livestock farms, a vice chairman not removed from production is responsible for the zootechnical activity, for the fulfillment of the production plan, for the providing of the fodder base, for the implementation of the reproduction and selection program, for the achievement of the planned populations of animals, and for the delivery of products to the state supply."

"10. At the agricultural production cooperatives assigned to grades I and II of organization, at which the general assemblies have elected the chief engineer of the cooperative to the position of chairman, an agricultural expert paid by the state, who holds the position of chief engineer, can also be appointed.

"Chiefs of the mechanization sections, who can hold both positions, can also be elected to the position of chairman of the agricultural production cooperative."

Article 48. The provisions of the present decree are applied within the limit of the number of personnel, of the pay fund and of the budgetary loans approved for 1980 for the Ministry of Agriculture and the Food Industry and the county and Bucharest municipal people's councils.

Article 49. The personnel who go from the units disbanded or reorganized to the units founded or reorganized in accordance with the provisions of the present decree are considered transferred in the interest of duty.

Article 50. The personnel transferred in the interest of duty or moved in the same unit to positions with lower pay levels and the personnel who are retrained to perform a directly productive activity as a result of the application of the provisions of the present decree benefit from the rights mentioned in Article 21 of Decree No 162/1973 on the Establishment of the Uniform Structural Standards for the Economic Units.

Article 51. The number of posts for appointing the chief economists on the state and cooperative united agroindustrial councils is provided by taking over 160 posts from the Bank for Agriculture and the Food Industry, 158 posts from the general directorates for agriculture and the food industry and 392 posts from budgetary or self-financed units subordinate to the general directorates for agriculture and the food industry.

The pay fund is provided by the units from which the number of posts was taken over.

Article 52. The Bank for Agriculture and the Food Industry performs the basic financial inspection at the cooperative agricultural units and helps the auditing commissions to perform the statutory tasks of inspection.

Article 53. The State Planning Committee and the Ministry of Finance, within 45 days after the decree goes into effect, will submit for approval the change in the plan indicators according to titulars, with the influences that result and with the maintenance of the approved budgetary equilibrium, as a result of the application of the present decree.

Article 54. The leadership of the Ministry of Agriculture and the Food Industry can apply disciplinary punishments, under the conditions provided by law, to the experts in the produce-utilization and state agricultural units, including those in the general directorate for agriculture and the food industry.

Article 55. The special-grade and grade-I units founded by means of the present decree are entitled to one automobile each meant for the transportation of persons on official business, in accordance with the criteria

established by means of State Council Decree No 277/1979 on Some Measures for the Rationalization of the Consumption of Liquid Fuels and the Economical Management of the Fleet of Motor Vehicles.

Article 56. Appendices 1-9 are an integral part of the present decree.

Article 57. On the date of the present decree, State Council Decree No 195/1976 on the Payment of the Director General of the County General Directorate for Agriculture and the Food Industry and the Amendment of the Uniform Structural Standards Specific to This General Directorate (an appendix to Decree No 162/1973), the appendix to Article 2, Paragraph 2, and Article 20, Paragraph 3, of Decree No 162/1973 referring to the general directorate for agriculture and the food industry in counties, the Agrozooveterinary Inspectorate of the Municipality of Bucharest and their subordinate units, State Council Decree No 13/1979 for the Amendment of Appendices to Decree No 162/1973 on the Establishment of the Uniform Structural Standards for the Economic Units--State Agriculture and the County General Directorate for Agriculture and the Food Industry--and any other contrary provisions are repealed.

Nicolae Ceausescu,
Chairman
of the Socialist Republic of Romania

Bucharest, 29 January 1980.
No 32.

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